

We can save a great deal in those amounts. But with such things as social security, retirement programs, and pensions, we are not going to reduce those, and I think we all recognize that.

Mr. DOMENICI. There may be some reform necessary, and that might occur, but I think my distinguished chairman is saying if the Budget Committee were to put a figure in other than the real outlay expected for one of those programs we would be fooling ourselves and we would be fooling the American people on the budget, because there is a legal entitlement that exists in the field on the part of the American citizen unless Congress changes the law. So I make that point. I think the chairman will agree with me that we would be doing a useless act unless this Congress wanted to change some of those laws, unless we put those in entitlement—entitlement being the legal right to receive on the part of the beneficiaries—who are predominantly Americans who have received that right from Congress in valid law. Is that not correct?

Mr. MUSKIE. That is correct, and let me give another perspective. The \$72 billion sounds like a lot of money for social security, when one looks at the \$72 billion, but the average payment to a beneficiary is \$7.50 per day. That is a little over \$50 per week, which is well below the poverty line in this country. So although it is a large amount of money, when viewed in terms of its totality, in terms of those who are dependent upon social security to buy food, to pay rent, to pay their bare essentials, the average payment is well below the cost of living.

So we have to have those perspectives as we talk about budget control, budget cutting, and budget balancing. There is a human equation involved in all of these programs that Congress has to consider.

Mr. MONDALE. Mr. President, I wish to express my appreciation for the fine work of the distinguished chairman of

the Budget Committee, the senior Senator from Maine (Mr. MUSKIE) and the distinguished ranking minority member of the committee, the senior Senator from Oklahoma (Mr. BELLMON).

In the past year they have assembled a truly excellent staff, and proved that the complex provisions of the budget and Impoundment Control Act of 1974 can in fact help to reassert the congressional control over the Nation's purse that the Constitution provides.

Over the past year I have often disagreed with a majority of the committee on specific issues. But I have been deeply impressed with the fairness with which all points of view have been treated.

For the first time we have looked at Federal spending with all the relevant question before us—the overall state of the economy, the import of the deficit on credit markets, the available revenue, the specific question of priority which determine the allocation of available funds.

And in future years, I am convinced that this committee's usefulness to the Senate will grow—and stimulate a new and badly needed national debate on this Nation's priorities as we face the fourth quarter of the 20th century.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 8:45 a.m. tomorrow. There will be a brief period for the transaction of routine morning business until 9 a.m., at which time the Senate will go into closed session to discuss the report on the special investigation of the CIA. That closed session will not exceed 4 hours.

When the Senate resumes open session, the Senate will conduct further debate on the congressional budget resolution. Rollcall votes are expected thereon and on any amendments thereto.

Upon the disposition of the congressional budget resolution, the Senate will take up the Interior appropriation bill, with a rollcall vote expected on final passage.

The Senate conceivably could be in session until a reasonably late hour tomorrow, with rollcall votes throughout.

RECESS UNTIL 8:45 A.M.

Mr. MUSKIE. Mr. President, if there is nothing further that any Senator wishes to say at this time, I move that the Senate do now recess until 8:45 a.m., tomorrow.

The motion was agreed to; and at 9:04 p.m. the Senate recessed until tomorrow, Thursday, November 20, 1975, at 8:45 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate November 19, 1975:

DEPARTMENT OF STATE

Walter L. Cutler, of Maine, a Foreign Service officer of class 2, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Zaire.

James W. Spain, of Florida, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Republic of Tanzania.

Nathaniel Davis, of New Jersey, a Foreign Service officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

Mary S. Olmsted, of Tennessee, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Papua New Guinea.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before a duly constituted committee of the Senate.)

EXTENSIONS OF REMARKS

GOLDEN JUBILEE OF THE MEDICAL MISSION SISTERS

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 18, 1975

Mr. EILBERG. Mr. Speaker, the Medical Mission Sisters, which have their world headquarters in my district in northeast Philadelphia, will celebrate their Golden Jubilee this year.

The Medical Mission Sisters are an outstanding group of women who devote their lives to helping persons in underdeveloped and troubled areas.

In the 50 years of their existence they have established a record not only of service, but of bravery and devotion to the people they have chosen to serve and they deserve our thanks and honor for their work.

At this time I enter into the RECORD an article from their newsletter which outlines the work of this fine organization:

GOLDEN JUBILEE

1975 has been a very special year of celebration for the 700 Medical Mission Sisters all over the world. 50 years of living, growing, successes, failures, beginnings and ends have been poignantly remembered and, once again, gratefully appreciated. Memories of the early days and the constant support of sacrificing friends have been and continue to be re-lived and represented to the Father for His blessing. And the reminiscences of the millions of patients and friends whose lives we have shared around the world have deeply enhanced our joy and gratitude during this 50th Anniversary Year.

It is perhaps coincidental, perhaps providential, that 1975 has also been celebrated worldwide as the "Holy Year of Reconciliation and Renewal" and "International Women's Year," for both healing, the full meaning of "reconciliation and renewal," and the cause of women have been central to the Medical Mission Sisters' vocation since the earliest days of the Society. It was the need for healing of so many women of the East that first motivated Anna Dengel to begin her unique Community of religious women in 1925. And it was this basic motivation of healing that encouraged and challenged the early members of the Society to dedicate themselves to the imperative medical needs

of the women of the world, even though they had to personally sacrifice the privilege of making public vows in the Church until Canon Law was changed in 1936 to permit women religious to practice surgery, medicine and obstetrics.

In the past 50 years the Medical Mission Sisters have grown in their concern for the healing of persons and the advancement of women in the world. Through their professional medical care, training schools and, most recently, grassroots public health, community development, nutrition education, family counseling and home-industry development work in the villages, they have tried to meet head-on the many screaming, glaring needs for healing that they have seen and heard. Yet, the Community is keenly aware that there is still so much to be done. Thousands and thousands of men, women and children still cry out for healing all over the world, persons not only weighed down by physical or mental disabilities but critically broken by the oppressively unjust economic and social systems operative in our world today. In every corner of the globe there are also thousands of women who need to discover their worth as persons, their value as intelligent, creative and responsible human beings in the family setting, in the local community and in society.

As we celebrate our 50 years of healing service, the task looms as great as ever as we more fully realize the height, depth, width and breadth of the need for healing of all persons and the special needs of women in our world today. And, with a full-hearted "Amen," a trusting "So be it," we recommit ourselves to this awesome service.

The Golden Jubilee Year of the Medical Mission Sisters has been marked with many moving reunions, but perhaps the most special was the one which took place in Rome, Italy, in late September and early October of 1974. Here Mother Anna Dengel and five of the early members of the Society met to renew old friendships and to commemorate with joy and thanksgiving the gift of 50 years of healing service of the community whose beginnings they had all shared.

Sisters Laetitia Flieger, Agnes Marie Ulbrich, Helen Lalinsky, Margaret Mary Van Agtmael and Eleonore Lippits joined Mother Dengel for a month of celebration and recollection at the Community's Rome house. Two very important persons from the Early Days of the Society, however, were not able to be present. Dr. Joanna Lyons who was Mother Dengel's first companion, left the Society in December, 1932 to enter the cloistered community of Franciscan Nun-Adorers of the Most Blessed Sacrament. Because of ill health Mother Miriam, as she is now known, was unable to travel to Rome from her convent in Euclid, Ohio. Father Michael Mathis of the Holy Cross Fathers was another very important person in the history of the Medical Mission Sisters. As a young priest he was responsible for the foundation of the Holy Cross Foreign Mission Seminary in Washington, D.C. known as "The Bengalese." Here young Holy Cross seminarians destined for the missions in Bengal were trained. Father Mathis had also visited Dacca, East Pakistan (now Bangladesh), and he was very moved by the medical needs of the people there. With his help and encouragement Mother Dengel was able to recruit women interested in forming a religious community to respond to these healing needs in the East. Father Mathis had a great spiritual influence on the Community, passing on to its members his great interest in and love for the liturgy. He died at Notre Dame, Indiana on March 10, 1960.

The following is excerpted from interviews about the Early Days made in Rome in September and October of 1974.

When asked what motivated her to found such a unique religious community of women, Mother Dengel responds that the underlying impetus really dates back to her youth—to the upbringing in her family, her schooling, her family's interest in the missions and also the atmosphere around her. "When I was 15 or 16 I had the desire to become a religious and, so, I went to the little Franciscan Church in Hall, Austria, and after confession I simply asked the superior 'to what convent should I go?' And I got a very good answer . . . 'You should know yourself!'"

At about this time Anna Dengel heard of Dr. Agnes McLaren's appeal for somebody who would study medicine to go to the missions. "It was a new idea," reflects Anna, "and I had to go myself. And I must say, I made my decision at once because it appealed to my whole being. It appealed to me because it was a work of charity. And the two things that appealed to me particularly, and definitely, were that it was a definite work . . . and the need was something very definite."

Anna Dengel didn't know anyone in America when she came here in 1924 to try to interest women in her idea of forming a religious community dedicated to the care of the sick. After four years of working alone as "the" doctor at St. Catherine's Hospital in Rawalpindi, Pakistan, she knew that the need for health care, especially among the

muslim women and children, are tremendous—overwhelming. She knew, too, that the American women would be very challenged by the need and hoped they would be generous in their response.

Anna contacted the newly formed Medical Mission Board in New York and through Dr. Paluel J. Flagg, one of its founders, and Father John Considine of Maryknoll, she was put in touch with Father Michael A. Mathis, C.S.C. The contact was to be a vital one for it was with Father Mathis' direct help that the Medical Mission Sisters were born. Father himself had sent four Catholic day nurses to Dacca in 1924, but without the support of a community or a definite religious motivation the experiment failed. When Father Mathis asked Anna Dengel what she thought would work, she replied emphatically "a religious community."

Doctor Joanna Lyons from Chicago was the first member to join Anna Dengel in her new community. She arrived in Washington, D.C. on September 8, 1925, having heard about the new venture in an article written by Anna Dengel in "Hospital Progress." After "checking it out" with her Jesuit brother and Archbishop Curley in Rome, Dr. Lyons closed up her house in Chicago, gathering up linens, blankets, a statue of St. Joseph and her small savings and headed for Washington. After a few days at a home for businesswomen, she and Donna Dengel found a house at 1000 Newton Street and, although it was totally empty, they moved in.

On September 24, 1925, the two doctors were joined by two nurses, Evelyn Flieger, originally of Britain, had just graduated from Bellevue Hospital School of Nursing in New York. Even as a child she had wanted to be a Sister and in her teens she had decided she "was going to be a missionary, a nun, and a nurse doing nursing and not anything else." After meeting Anna Dengel in New York she decided that this new community was what she wanted. Marie Ulbrich had been working as a nurse in Iowa for several years when she heard about Anna Dengel's plan. Marie "had been wanting for several years to be a religious but in the medical field, and in the field where there were a lot of poor to be served." When Dr. Dengel answered her letter of interest, Marie Ulbrich wrote back: "Name the date and I'll be there."

The official Opening Day of the Society was set for September 30, 1925, and with the help of many new and sacrificing friends somehow the house was made livable by then. Rt. Rev. Monsignor Cornelius F. Thomas, the representative of Archbishop Curley of Baltimore, gave the homily at the Opening Day Mass. It was a homily of great impact and one the Sisters vividly remember to this day: "You four stick."

The Early Days were fraught with new adventures, whether they took the form of studying missiology, Hindustani, Bengali and spiritual life at the Bengalese; gardening and raising chickens; speaking in schools and Churches to make themselves known; choosing a simple garb to wear from a Butterick's pattern book; doing the laundry of priests and seminarians to financially keep their heads above water; coping with local hobos and bootleggers who'd camp out on their property or sincerely and simply trying to learn how to pray and be religious women. Although they could not be a "religious community" until Rome lifted the ban on religious practicing surgery, medicine and obstetrics, they prayed for the day when Rome would allow them to make public vows—an event which happily occurred in 1936. According to a priest friend in Rawalpindi, the Medical Mission Sisters' positive influence on the granting of Papal permission for religious to practice medicine was "a life's work alone," and a definite benefit to all religious communities in the Church.

In 1926 Dr. Joanna Lyons became the first

Medical Mission Sister to go to India to work. The next year she was followed by Sister Agnes Marie Ulbrich, and soon there were dozens of Medical Mission Sisters helping to heal in the need areas of the world. Right before her eyes Mother Anna Dengel could see that her dream for a healing religious community of women was becoming a reality. And always then, as now, she reminded her Sisters that their lives must exemplify the words of the Gospel: "So let your light shine before men so that they may see your good deeds and glory your Father who is in heaven."

ENERGY LEGISLATION

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 18, 1975

Mr. WHITEHURST. Mr. Speaker, I want to insert in the CONGRESSIONAL RECORD a letter which I received from Mr. Norman W. Horton, of Virginia Beach, Va., concerning the inclusion of stripper wells within the price control structure recently established by the House-Senate conference committee on the energy legislation. Mr. Horton persuasively points out that the small producers who operate stripper wells must be allowed to receive the world price for their products to make it economically feasible to continue their efforts to find new oil. I hope that all of my colleagues will read this letter and keep it in mind as they consider the energy legislation which will soon come before the House:

VIRGINIA BEACH, VA.,

November 14, 1975.

HON. G. WILLIAM WHITEHURST,
Cannon House Office Building,
Washington, D.C.

DEAR CONGRESSMAN WHITEHURST: It is with amazement that I read in the Norfolk Virginian-Pilot what Congress is proposing in regard to rolling back oil prices. The part of the bill that bothers me most is that "Stripper" wells are not exempt from price controls. I own and operate several oil leases in northeast Oklahoma and northern Kansas on which all the wells are the "Stripper" class. A "Stripper" well, as you know, is one that produces less than 10 barrels of oil a day. There are many "Stripper" wells that produce less than one barrel of oil a day but the cost of operating these wells is just as much and often more than a well that produces several hundred barrels. Reason, the large volume producers often flow oil at practically no cost and the "Stripper" well must have expensive pumping equipment to maintain and operate.

In the last two years thousands of "Stripper" wells that had been abandoned for years because they could not be operated profitably have been cleaned out and equipped for production—at great expense. Most of this costly work has been done with borrowed money expected to be paid off with oil to be sold at current prices.

It will be devastating to literally thousands of small oil producers (myself included) if the "Stripper" producer is not exempt in the Energy Bill.

It is to be noted that "Stripper" well production on which there was no price control had a large increase in 1974 and all other (controlled) oil production showed a sharp decline.

It is beyond my power to comprehend that Congress will penalize the domestic producer while oil is being imported from our "Friendly" neighbors to the North and

South (Canada and Venezuela) at OPEC prices.

It is because your colleagues in Congress would want this information to help them make this decision that this letter is written.
Sincerely yours,

NORMAN W. HORTON.

THE STATE DEPARTMENT AND THE VIETNAM EMBARGO

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 18, 1975

Mr. BINGHAM. Mr. Speaker, last Friday, November 14, Secretary of State Kissinger, in a closed meeting with the members of the House Select Committee on MIA's, told the committee that the administration plans to license a broader category of assistance to the people of Vietnam by private American church and humanitarian groups. Later the same day, the American Friends Service Committee was informed that its pending license applications for private assistance to Vietnam, some of which had been previously rejected by the State Department, now have the approval of the Department.

The Subcommittee on International Trade and Commerce, which I have the honor to chair, held a hearing on the U.S. embargo against Vietnam yesterday—the third hearing on this matter. The State Department provided the subcommittee with a brief statement elaborating on the "new policy" announced by the Secretary with respect to private humanitarian assistance to Vietnam. In the belief that this statement will be of interest to many Members of the House who have become aware of this issue, I submit the text of the statement to appear in the RECORD following my remarks, along with press reports of the new license approvals.

The subcommittee welcomes the action taken by the Department on the American Friends Service Committee applications, and is gratified to note that the Department was responding in part to the actions and expressions of concern by the subcommittee. That is confirmed by the explanation given at the Monday, November 17, 1975, State Department news briefing, from which I now read:

EXCERPTS FROM MONDAY, NOVEMBER 17, 1975
STATE DEPARTMENT PRESS, RADIO AND TELEVISION NEWS BRIEFING

(Speaking for the Department:
Robert Funseth)

Q. Has the Department reversed its policy concerning shipment of humanitarian goods to Viet-Nam?

A. No. We have not reversed our policy. We have been approving, on a case-by-case basis, applications for humanitarian aid to Viet-Nam.

A. So as not to confuse you, I assume that your question was prompted by the announcement on Friday that the American Friends Committee has resubmitted its application for some items to Viet-Nam which had previously been turned down—that they had resubmitted their application to the Treasury Department—and, again, we had been asked to advise on the foreign policy

aspects of the reapplication—and that we then decided there were no foreign policy objections to the issuance of these licenses.

Q. That is correct.

A. The announcement came out Friday afternoon—on the news—after the Secretary had met with the House Select Committee on Missing in Action, which had an interest in this question. At that time, the Secretary informed the Select Committee of this decision which had been previously made. I think the decision had been made the day before.

Now, there had been other Congressional interest in this question. In particular, the Bingham Subcommittee of the House International Relations Committee had held hearings on this and other issues. And these Congressional views—that is to say, those of the Bingham Subcommittee, as well as those of the Select Committee on MIA's—were obviously taken into consideration in making this decision.

Q. Bob, you say on a case-by-case basis these have been approved. Is there any other case?

A. Yes, there have been some other cases approved. I do not have any figures on it, but I know there have been other cases approved.

Q. Well, there's a report—I think in the Post—which said we're interested in making good-will gestures to the Vietnamese because they released nine American prisoners. Did this influence the Department's thinking?

A. Well, I think that description is a fair way to describe our action.

The State Department statement, Mr. Speaker, indicates that the State Department will recommend to the Treasury Department that licenses be granted for items the State Department regards as "economic" rather than "humanitarian" assistance from private groups, but that this broadening of assistance will be applied only on a case-by-case basis.

As I have said, State Department approval of the American Friends Service Committee license requests is a welcome development. But it represents no meaningful change in State Department or administration policy. A policy applied on a case-by-case basis, involving no change in codified procedures or binding policy formulations, is no change in policy at all. A recommendation by the State Department to the Treasury Department in response to particular developments and conditions constitutes no basic change in the administration's approach to Vietnam.

Witnesses representing the U.S. Catholic Conference, the United Methodist Church, the U.S. Presbyterian Church of the United States, and Clergy and Laity Concerned, uniformly endorsed congressional approval of H.R. 9503 and identical bills which would remove the U.S. trade embargo on Vietnam as a first step toward U.S.-Vietnam reconciliation. Only such a formal change in policy, they argued, would provide full opportunity for humanitarian groups freely to provide assistance to the people of Vietnam.

Mr. Speaker, other considerations suggest the need for removal of the U.S. trade embargo on Vietnam going beyond the very limited actions of the administration in recent days. One of those considerations is the position of the American business community—particularly those American companies with investments in Vietnam. Growing support among American companies doing business in Asia for removal of the em-

bargo is described in a recent Wall Street Journal article by reporter Seth Lipsky entitled "Many U.S. Executives in Asia Urge Easing Ban on Dealing With Vietnam, Cambodia." A copy of that article, as well as a recent Los Angeles Times editorial entitled "A Silly War," also follow my remarks.

The articles follow:

[Statement Provided to the Subcommittee on International Trade and Commerce, Department of State, Nov. 17, 1975]

LICENSING OF ASSISTANCE TO VIETNAM

The American Friends Service Committee had resubmitted requests for Treasury licenses for approval for export of fishnets, rototillers, and wood-screwmaking machines. In accordance with normal procedure, the Department of State was requested to advise on the foreign policy aspects of the reapplication. The Department has advised the Treasury that under present circumstances, in these specific cases, there were no foreign policy objections to the issuance of these licenses.

This recommendation reflects conditions prevailing at the present time and is thoroughly consistent with the speech by Secretary of State Kissinger on June 18 at the Japan Society in which he said we would look to the future in our relations with Vietnam and that our policies would be influenced by Vietnamese conduct toward their neighbors and their attitudes towards us.

The recommendation to issue licenses for the rototillers, wood-screwmaking machines, and fishnets takes into account the North Vietnamese release of nine American prisoners who had been captured during the Spring 1975 offensive in the Central Highlands. The Department remains concerned about the approximately 50 Americans remaining in Saigon, many of whom we understand have not yet been permitted to leave by the Vietnamese.

The Department of State will continue to examine applications for licenses on a case-by-case basis, taking into account the nature of the assistance, the current laws, regulations and policies, and the attitudes and actions of the Vietnamese towards us and towards their neighbors.

[From the Washington Post, Nov. 17, 1975]
QUAKERS GET APPROVAL FOR VIETNAM AID

(By Marjorie Hyer)

The American Friends Service Committee was notified over the weekend that the State Department, in a policy reversal, has granted the Quaker agency permission to send self-help supplies to Vietnam war victims.

Last Monday several hundred Quakers and sympathizers demonstrated at the White House to protest the denial by the State Department of licenses to ship fish nets, small agricultural equipment, wood screwmaking machinery and acrylic yarn for making children's sweaters.

Quaker officials had said they would break the law if necessary to carry out their program of aiding war-ravaged areas in North and South Vietnam.

According to Rep. G. V. (Sonny) Montgomery (D-Miss.), of the House Select Committee on Missing Persons in Southeast Asia, the State Department has agreed to grant church agencies licenses for "broad categories of assistance" to Vietnam as a "good-will gesture" in response to Hanoi's release last month of nine American prisoners.

The prisoners, most of whom are missionaries, had been held since the fall of the Thieu regime and the withdrawal of American forces from South Vietnam last spring.

The AFSC, an outspoken foe of the Vietnam war, carried out humanitarian aid program in North and South Vietnam during the hostilities, as did other church groups.

[From the New York Times, Nov. 15, 1975]
UNITED STATES READY TO TALK WITH
INDOCHINESE

WASHINGTON, November 14.—Secretary of State Henry A. Kissinger told a House committee today that the United States was now ready to open discussions with the Communist nations of Southeast Asia concerning the normalizing of relations.

Mr. Kissinger was speaking at a closed-door breakfast meeting at the State Department with members of a new committee set up to deal with Americans missing in action in the Vietnam war. He said that he saw "no obstacle to the principle of normalization of relations and that the United States was also prepared to reciprocate on the basis of gestures made by the Southeast Asian nations."

This statement was made public with Mr. Kissinger's authorization by Representative G. V. Montgomery, Democrat of Mississippi, the chairman of the group called the House Select Committee on Missing Persons in Southeast Asia.

When Communist forces took power in Cambodia and South Vietnam last spring, the Ford Administration adopted a wait-and-see attitude toward future relations. Mr. Kissinger said in May that American policy would be determined by the new regimes' actions toward the United States.

Members of the House Committee, which hopes to meet with leaders in North Vietnam and their representatives in Paris, told Mr. Kissinger that they planned a wide-ranging discussion of issues, including the status of the missing American and possible normalization of relations.

COMMUNIST VIEW UNKNOWN

The United States Government officially lists 820 Americans as missing in action in Indochina. In addition, 1,500 are counted as dead but with whereabouts unknown.

Mr. Kissinger, according to Mr. Montgomery, gave "strong support to the committee's efforts to have discussions with representatives of North Vietnam-Cambodia" and to inform them that the Administration itself was ready in principle to talk.

It was not known, however, whether the Communists would be willing to hold discussions without having a prior American commitment for aid.

Mr. Kissinger told the committee members that the United States was making the "good-will gesture" of allowing church and humanitarian groups in the United States to export more liberally to North and South Vietnam than had been permitted since the Communist takeover in the south.

This was being done, Mr. Kissinger said, because of the recent release of nine Americans who had been captured in South Vietnam in March.

Also, American officials said later, the United States had noted the willingness of the Communists to accept a ship carrying 1,600 Vietnamese who wanted to return home after being refugees in Guam and elsewhere.

Ever since they took power in Saigon the Communists have called for negotiations on normalizing relations but have conditioned it on Washington's complying with terms of the 1973 cease-fire accord signed in Paris. They have especially cited Article 21, which obliges the United States to act sympathetically toward providing economic aid to North Vietnam.

Mr. Kissinger told the House committee, according to several that the Administration did not envisage providing aid to Indochina at this point and that it was more realistic to talk initially of normalizing travel and trade and similar matters.

He also said that while the United States saw no reason not to normalize relations with North Vietnam, this should not be done on the basis of the Paris agreement.

Mr. Kissinger said that he regarded the Paris accord as "dead" given Saigon's fall.

Later today, Mr. Kissinger went to Capitol Hill and defended the Administration's \$4.7 billion foreign aid request. He urged Congressmen not to cut funds from any nation because it voted for the United Nations resolution equating Zionism and racism.

Several members of the House Appropriations Subcommittee on Foreign Operations suggested that the Arab states, who sponsored the anti-Zionist resolution, should be punished.

[From the Wall Street Journal, Nov. 13, 1975]
TRADING WITH INDOCHINA—MANY U.S. EXECUTIVES IN ASIA URGE EASING BAN ON DEALING WITH VIETNAM, CAMBODIA

(By Seth Lipsky)

HONG KONG.—Only six months or so after the Communist take-over of South Vietnam and Cambodia, a campaign is building among American businessmen in Asia for an easing of Washington's strict embargo against commercial relations with the countries of Indochina.

Opponents of the embargo are contending that, since the war is over, trade sanctions in effect for years against North Vietnam—and extended to South Vietnam and Cambodia when their governments fell—shouldn't be allowed to harden into a decades-long freeze-out similar to the one the U.S. maintained against China until recently. Such a policy, they argue, not only would deny American companies access to potentially important markets in Indochina but could damage U.S. economic relations in Southeast Asia generally.

Their campaign is being spurred by increasing signals from the Vietnamese Communists themselves that they would like to deal with American corporations and by a concerted drive by the Japanese to beat other trading powers to the Indochina market.

Last weekend in Seoul, South Korea, the Asia Pacific Council of American Chambers of Commerce called on the governments of the U.S., Vietnam and Cambodia to move, "on the basis of reciprocity," to "bring about a smooth and rapid development of trade." Some local American Chamber of Commerce groups have been pushing even stronger positions. And in coming months, businessmen opposing the embargo will probably step up their support for two bills in Congress—one introduced only last week—that would lift the embargo against North and South Vietnam.

A "SHAM ISSUE"

It is too soon to tell whether the lobbying effort currently under way will result in any early changes in U.S. policy. But, barring an unexpected increase in interest in Congress, few Asians expect the administration to act on its own before next year's elections. The State Department is opposed to ending the embargo, and this week, reinforcing that stand, President Ford notified congressional leaders that the U.S. has removed Vietnam and Cambodia from the list of nations eligible for special tariff concessions.

Some businessmen are also opposed to ending the embargo so soon after a bitter war. And others downplay the importance of the issue. One observer calls it a "sham issue," arguing that trade isn't likely to be significant even if the embargo is ended.

Opponents of the embargo argue, however, that past U.S. trade sanctions against Communist nations have gained little, if anything for U.S. business interests. So they are putting out cautious feelers, especially toward Vietnam, discussing the matter with U.S. diplomats and taking up the issue publicly.

Says one member of the American Chamber of Commerce in Hong Kong, describing the attitude of his colleagues: "We don't want another Cuba." A business consultant

says: "We have learned from history that it doesn't pay to embargo."

With surprising speed, the Communists themselves have been making it known they are willing—and apparently even eager—to deal with Americans. They began sending out such signals less than a month after Saigon fell to the Communists April 30. The most important was an invitation, dispatched in late May, to Bank of America's Asia representative, Louis Saubolle. A French citizen with wide experience in Asia, Mr. Saubolle went to Hanoi in July, traveling as an official of his bank. He was the first official of a U.S. bank to go there in at least 22 years.

When he returned in mid-July, after a week of meeting with North Vietnamese trade officials and others and of touring the Hanoi area, Mr. Saubolle gave an upbeat report. Although the Vietnamese were still sorting out their development plans, he said he saw a small but "very definite market" for goods from the outside.

Vietnamese officials, Mr. Saubolle said, argued that the trade embargo wasn't effective; they said they had obtained U.S. cotton from third parties. Mr. Saubolle also said he understood that the North Vietnamese had been able to obtain U.S. pharmaceuticals. Most important, Mr. Saubolle said, the Vietnamese stressed repeatedly that they were willing to deal with American corporations on a basis they considered to be "mutually beneficial."

FURTHER SIGNALS

Since then, other signals have followed: An American who is an oil consultant has been to Hanoi, presumably to explore the question of what the Vietnamese want to do about possible offshore oil. In broadcasts, the Communists have indicated they would be willing to deal with major oil companies in the West, including U.S. firms and those that had been exploring oil and gas in South Vietnamese offshore waters.

Such explorations, by Mobil Oil Corp. and Shell Oil Co., were halted in early April, shortly before Saigon fell. It was the impending collapse of a hospitable government, not geological conditions, that prompted American oil companies to halt their explorations. By April, according to one well-placed oilman, the companies had found "traces" of oil but hadn't determined whether there were commercial quantities. "Given the right conditions," this oilman said, "I think they'd like to pick it up again."

Other signals have come from Communist officials who have talked with several Western newsmen visiting Vietnam since the take-over. The officials have said they would be willing to do business with the Americans.

Aside from the Bank of America visit, any contacts that have taken place with American companies presumably have been indirect. Because the embargo is so strict, some American executives are unwilling to discuss the matter in detail. But the South Vietnamese apparently have indicated they would like some companies that had operations in the South to reopen there. And bankers say that Vietnamese authorities cabled some U.S. banks inquiring about government deposits frozen by the U.S.

FREEZING BANK ACCOUNTS

However, there is little American executives can do but listen. On April 30, as Saigon fell, Washington moved under the Trading With the Enemy Act to freeze all South Vietnamese bank accounts in U.S. institutions at home and overseas and to freeze all Vietnamese accounts held in U.S. dollars anywhere. This action affected about \$70 million. Most of this, the State Department says, is official funds, and most is in the U.S. Earlier, on April 17, as Phnom Penh fell, Washington announced it was freezing Cambodian assets. Foreign bankers say that, in practice, it is nearly impossible for the U.S. to block South Vietnamese or Cam-

bodlan U.S. dollar assets if they are held in non-American banks outside the U.S.

In mid-May, acting under the Export Administration Act of 1969, which allows the use of export controls to further U.S. foreign policy the administration placed South Vietnam and Cambodia under its strictest limits—called Category Z. The combination of restrictions—then already in effect generally for North Vietnam and North Korea—made it illegal for American businessmen to buy Vietnamese or Cambodian goods or to export their own products to those countries, even through a neutral middleman. (The administration, however, has allowed some shipments that it considers humanitarian.)

The reasons for the U.S. embargo are, of course, political and have little to do with the amount or kind of trade with Indochina. In the past five years, U.S. commercial exports that weren't financed by the U.S. Agency for International Development were all but nonexistent to Cambodia and ranged between a paltry \$30 million to \$50 million for Vietnam. That figure was given before a House panel in June by Robert H. Miller, deputy assistant secretary of state for East Asian and Pacific affairs. "It is reasonable to assume," he said, "that even without controls, U.S. trade with South Vietnam would be practically nil for the foreseeable future."

Businessmen agree that trade wouldn't be likely to leap to significant levels in the short term. But they aren't discounting the possibility that Vietnam could become an economic power to be reckoned with. There are rich agricultural areas and timber in the South and coal in the North. And there is the possibility of offshore oil. Although some others scoff, Bank of America's Mr. Saubolle, who is among the most ardent proponents of ending the embargo, argues that "before too long, Vietnam could emerge as a serious competitor in the world export market."

[From the Los Angeles Times, Nov. 13, 1975]
A SILLY WAR

More than half a year has passed since the fall of Phnom Penh and Saigon, yet the American government on occasion acts as if the war were still being waged.

A conspicuous silliness of America's policy is its continued classification of North and South Vietnam and Cambodia, along with North Korea and Cuba, on the "Z" list of the Export Administration Act. That means that nothing may be sent them without a license from the Treasury Department.

The State Department has imposed its own refinements on the licensing procedure, drawing a curious distinction between charitable humanitarian shipments—they are approved—and economic assistance items—they are not.

The result is impressive: sweaters from the American Friends Service Committee receive an export license, but not 16 tons of yarn. Medical supplies, powdered milk, canned pork, school supplies and pediatric drugs are licensed. But not fishing nets, not rotary tiller diesel plows, not the machinery to make prosthetic devices. Something on the order of \$1 million in supplies from four organizations has been authorized for export this year. There is no accurate count of the value of the exports denied.

Secretary of State Kissinger's purpose in this policy is to see to it that China and the Soviet Union bear the burden of putting Indochina back together again. It was, he argues, their arms that fed the victory of the Khmer Rouge, the North Vietnamese, the Viet Cong.

Kissinger has the approval of Congress in keeping official American aid from the three nations. A special congressional amendment

to the continuing resolution now controlling foreign aid denies these nations official American aid and any American part of any international aid program.

But it is quite a different matter to use the authority of the Export Administration Act to restrict what individual Americans and private American relief organizations may wish to do to extend a helping hand to the peoples of Indochina.

A reasonable case can be made to freeze the assets of the three countries against potential future claims. We do not challenge the propriety of restricting the export of strategic goods, although that can be accomplished under the "Y" category of the export law that already applies to China, the Soviet Union and most of Eastern Europe.

There is no reasonable defense for restraints on nonstrategic exports, however. The refusal of plows and fish nets for the people of Indochina is a distortion of American foreign-policy priorities and of the tradition of generosity based on need, not ideology.

THE ALARMING NATIONAL CRIME RATE

HON. J. KENNETH ROBINSON

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 18, 1975

MR. ROBINSON. Mr. Speaker, the annual report of the FBI on Crime in the United States, made public yesterday was notable for its evidence of an alarming nationwide increase in crimes, particularly by juveniles.

Most disturbing of all the statistics in this report, however, is the indication of the degree to which the odds favor the perpetrator of a major crime. According to the report, based on statistics furnished by local police authorities, an arrest was made in only one of each five cases of major crime in the United States in 1975. The FBI stated that nearly one-third of the arrests made across the country last year were of teenagers, although this group comprises only 16 percent of the Nation's population, and half of all the persons arrested for burglaries, motor vehicle thefts and larcenies were teenagers.

The total crime increase in 1 year was 18 percent. More than 20,000 persons were the victims of homicides, and property worth nearly \$2.5 billion was stolen.

The great majority of the criminals got away, with their criminal acts left unpunished.

Criminologists, sociologists and members of other disciplines offer various reasons for this startling rise in crime. Perhaps most of us have to accept some share of the blame by tolerating an overly-permissive social order and excessive leniency by the courts.

Most of our young people do not deserve to be set apart for censure, but, too often, young criminals, guilty of killings, assaults, and other crimes of violence are excused from paying adult penalties for adult offenses because of unduly liberal youth offender laws and judicial policies.

The crime problem in the United

States today is a complex one, and there is no single, simple solution available to us.

Publication of the FBI report reminded me of the contrast between the magnitude of the law enforcement challenge today, and the situation which existed 200 years or more ago.

Last month, Mr. Ordway P. Burden, chairman of the Law Enforcement Committee of the National Society, Sons of the American Revolution, and chairman of the Hundred Clubs Informational Council, delivered an interesting address before the Thomas Jefferson Chapter, Virginia Society, Sons of the American Revolution, in Charlottesville, Va.

I believe this address is of particular interest in this Bicentennial period, and I include the text at this time, as follows:

COMMUNITY TO CITY: AMERICAN LAW ENFORCEMENT IN HISTORICAL PERSPECTIVE

(By Ordway P. Burden)

In colonial America law enforcement as we now know it was largely a community responsibility, undertaken by individual citizens by turns or as the need arose. Preserving order in the boroughs and towns were members of the able bodied, free citizenry who rotated in the positions of constables and watchmen. The sheriff, principal keeper of the peace for the county, was chosen from among wealthy landowners.

The American sheriff, like his English counterpart, could summon a posse comitatus, that is, raise a group of men to pursue a criminal or suppress an insurrection. He was chief administrator of the county courts and supervised the impanelment of juries. As a law enforcement officer, the colonial sheriff enjoyed far greater autonomy than the Englishman, who was appointed by the king and subject to regular scrutiny by Parliament. It was Sheriff Nixon of Philadelphia who was the first to read the Declaration of Independence to the populace. This independence extended generally to other officers of local government, the justices of the peace and jurors, and the propertied class from which they came. What direction Parliament and the Crown gave to American affairs was on the colonial level, leaving local government to develop more freely.

The communities which grew up on the Eastern seaboard in the seventeenth century were homogenous, religious societies which strove to suppress immoral as well as criminal behavior. On this side of the Atlantic, convictions for adultery, blasphemy, fornication, swearing and profaning the Sabbath, were frequent in the Southern colonies as well as the Puritan sections. In England prosecution was rare for these misdeeds.

If it was easier to be convicted in the colonies, the penalties were generally less severe. Whipping was reserved for the most shameful offenses, and limited to 40 stripes, lenient by English standards. Certainly our forefathers allowed room for improvement. In Pennsylvania the most horrible punishment for adultery, 21 lashes, seven years in jail, and the imprinting of an "A" on the forehead, was for third convictions. The 40 stripes administered for lying in the Massachusetts Colony were given only to eighth time offenders.

Although treating moral offenses as crimes was a natural result of the predominant influence of the church, it was also, in part, an economic necessity. Life in the early colonies was hard, and sexual misbehavior could place a strain on the community which was already living near the edge of survival. In 1658 Maryland's punishment for bastardy became more

severe because of the increasing number of servant girls who were becoming pregnant. In the eighteenth century, when life was a bit more comfortable, laws on adultery and fornication were relaxed, with a view mainly toward fixing responsibility for illegitimate children.

In some instances hardship worked to increase freedom. In mid-seventeenth century England many prisoners complained of long confinement before trial. The Bay Colony, little able to afford any loss of manpower, in 1648 set down strict laws governing incarceration before trial. No one able to provide bail was to be imprisoned unless the alleged crime was capital or contempt in open court.

Through the time of the Revolutionary War, the agrarian colonies in the south and mercantile societies in the north were able to police themselves by civilian effort. Large scale uprisings, such as Bacon's Rebellion in Virginia, and the mob violence at the time of the Revolution, necessitated the use of the militia, of course. But for the most part communities remained sufficiently small and unified to maintain order by non-professional, unspecialized forces.

The movement from communal self-protection to professional law enforcement was an urban development in the United States of the nineteenth century. And here, as with colonial law, Americans constructed from the English model.

In both England and colonial America towns were patrolled at night by watchmen, whose duty was to look out for fire and to be on guard for street disturbances. Originally an office held in rotation by property owners, in England, at least, it had degenerated into a paid job held by impecunious substitutes, frequently drunk or elderly. For in eighteenth century London there was a trend among the city's wealthy to move to the suburbs to escape the filth, noise and crime.

These undesirable conditions were the result of the early industrial revolution, or at least the enormous population boom which preceded it. London grew from approximately 500,000 in 1700, to more than one million in 1800, an increase which gave rise to entire neighborhoods, who, through the combined forces of poverty and alcohol, could not police themselves, and were just those most in need of policing.

Watchmen and constables proved woefully inadequate to combat city crime. In 1776 the Lord Mayor of London was robbed at gunpoint, and within the following decade both the Prince of Wales and Duke of York were mugged. Riots were not uncommon, and the brute force with which the military suppressed them did little to improve the government image in the darker parts of town.

The Metropolitan Police of London were established in 1829, in the midst of a general reform movement. Under the direction of Home Secretary Robert Peel (the origin of the nickname "bobby"), the new force was organized as a group of professional civilians, initially decked out in silk top hats, swallow tail coats and white duck trousers, and armed with only truncheons. As was to be expected, they were not greeted warmly in certain quarters. The first casualty was the same year, 1829, to a Constable Grantham, who was unfortunate enough to step between two Irishmen quarreling over a woman. The three of them turned on him, beating him to death. Many people in London then thought he got what he deserved for interfering in other people's business. But affairs improved for the British bobby, and in 150 years of service only about 100 policemen have been murdered in the course of duty in England. In sad contrast, almost 1,000 United States law enforcement officers have been slain in the last 10 years alone.

Following the London example, American cities in the mid-nineteenth century founded police departments. First was New York, in 1844; then Chicago, 1851; Cincinnati and New Orleans, 1852; Philadelphia and Boston, 1854; Newark and Baltimore, 1857.

Like most institutional changes, the establishment of a professional police force was not accomplished by fiat, but by a series of adaptations to changing social conditions. Boston in the 1820's was not experiencing much serious crime, but incidents of drunkenness and assault were emerging in the well-travelled sections of town, much to the distress of respectable citizens. The office of constable was appointive, and paid, though not well. Eighteen men served on night watch, and hauled disorderly persons before the justice of the peace the following morning. None was stationed in South Boston, where there were no jails and the likelihood of attack while bringing the prisoner across the river was too great to risk.

In 1823, Mayor Josiah Quincy created the post of Marshall of the City, a kind of super constable who headed a department of internal police and reported directly to the Mayor and Council. The first to serve in this post was a Harvard graduate, Benjamin Polard, who had at his disposal two deputies and a horse. During the period of the 1820's and early 1830's criminals posed a far lesser threat to public welfare than poor sanitation and unsupervised traffic in crowded streets. So this first "police department" acted mainly as a Board of Health, handling fire inspections, traffic control as well as issuing summonses for misdemeanors.

The social conflicts of the next decade lent impetus to the movement for a standing professional force for dealing with civilian crime. In 1835 an anti-Catholic burned a convent to the ground, forcing the city fathers to allot an unprecedented \$1,500 (normally a yearly expenditure) for special constables.

The following year an attack on abolitionist William Lloyd Garrison required special measures, and in 1837 there was the Broad Street Riot, which began as a collision between a company of volunteer firemen and an Irish funeral procession. (Between 1822 and 1846 the population of Boston grew from 49,000 to 120,000, due mainly to the influx of Irish immigrants).

The 1840's continued the class struggle in the city, with a temperance movement gaining in strength, and an increasing Irish immigrant population which did not, in practice, certainly, share these views. In 1837 a Fifteen Gallon Law was enacted in Massachusetts, restricting the sale of alcohol on this quantity, and in effect, limiting the number of liquor licenses issued. One immediate result was a high turnover in the office of Marshall of the City, a job made difficult in the face of limited prohibition.

By the time Boston came to recognize a formal police department, constables who acted as police were earning \$2 a day, about twice the average for a laborer. In 1854 night watchmen were given warrants as policemen, paid \$2 a night as members of the "Watch and Police Department". Police divisions were created at this time also.

When the first Boston policeman, Daniel Estes, was murdered in 1848, police began to arm themselves with guns, at first informally. But with the coming of the Civil War, military trappings, guns and uniforms, gained acceptance.

The forces which were catalytic in the formation of the Boston Police Department, remained in somewhat altered form monumental problems for American law enforcement officers. The temperance movement of the middle of the century continued to plague policemen with unenforceable laws, and is in many ways typical of a long-standing

American attempt to legislate morality. When an officer is directed to uphold the law to the letter, the public cries of anguish are long and loud. In Baltimore in 1919, for example, the police were ordered to enforce the Sunday laws. The result: 223 summonses, 113 persons taken into custody, including an ice cream vendor, druggist, truck driver, baker and numerous shopkeepers. The order succeeded only in undermining the hard-won authority of the police in the community.

Although the abolitionist forces dissipated with the Civil War, the conflict they represented has remained the most difficult problem the average policeman must face. The phenomenal rate of increase in crime in the last ten years may make us feel that our present predicament is unique, but it has been delineated in the past. In 1936 August Vollmer, in *The Police and Modern Society*, reported an annual increase in crime from 1916 to 1936, and noted there were more crimes in one year in Chicago than in all the cities and counties of England and Wales. Some of the differences he attributed to a widespread contempt in this country for order and due process, a carry-over from the frontier spirit.

Another writer who in 1920 discussed the high rate of crime, Raymond B. Fosdick in *Crime in America and the Police*, pointed out that although foreign born and non-white people committed proportionally more homicides than native-born whites, this was not sufficient to explain America's lead. Native whites were still ahead of the Europeans.

The complaint heard so much today that the judicial system is rigged in favor of the criminal, that trivial clerical errors result in freedom for dangerous men, has its history, too. President William Howard Taft was known to have voiced his disapproval of this practice. Fosdick in 1920 attributed the dismal state of criminal procedure to long delays and the uncertainty of punishment, abuse of the defendant right of not giving information against himself and the privilege of jury challenge, "badly chose personnel on the bench", and the "unhealthy state of public opinion." Typically, he maintained, Americans scream for justice when the criminal is at large, but are only too quick to find excuses and explanations for his conduct when the policeman's job is done.

American law enforcement officers are, indeed, hampered by public opinion as it is represented, or misrepresented, on the bench. They must contend with the highest rate of violent crime in the developed world, and do it with highly decentralized police forces. Everyone becomes angry when police in a small town fail to apprehend burglars who strike more than one, or whose victims have seen, and can recognize them. But how many people reflect upon the sheer impossibility of asking officers whose authority ends at the town limit, to track down criminals who can be in and out of the town in a matter of minutes?

It may be that American police forces are on the threshold of a major reorganization, that, like their predecessors of little more than a century ago, they are lacking in numbers and organization to handle the problems which beset them. Just as people 150 years ago saw in the creation of a standing uniformed force, the spectre of military repression, most people today have a great fear of centralizing law enforcement functions.

Those of us who believe that the preservation of law and order works to the benefit of all know that some changes which centralize functions while preserving local autonomy are required. Crime is on the rise in developing as well as developed, countries. To combat it we must support law enforcement which is stronger and more mobile

than the criminal element, but responsible to men who write the laws, and sensitive to those who must obey them.

PENNSYLVANIA COUNTIES URGE REENACTMENT OF REVENUE SHARING

HON. FRED B. ROONEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 18, 1975

Mr ROONEY. Mr. Speaker, at lunch today members of the Pennsylvania congressional delegation had the opportunity to meet with a delegation of the Pennsylvania State Association of County Commissioners.

The purpose of the meeting was to discuss Federal revenue sharing and its importance to Pennsylvania's 67 counties.

Participating from my congressional district were Martin J. Bechtel, chairman of the Northampton County Commissioners and president of the Pennsylvania State Association of County Commissioners; Commissioner George Stahl of Lehigh County, and Richard Heil, chief clerk of the Northampton County Commissioners.

Mr. Bechtel presented to the Pennsylvania delegation a succinct report on the impact of revenue sharing in our State and, on behalf of the State's counties, an appeal for support of this important aid program's reenactment. His presentation also included data regarding Northampton County's application of revenue sharing funds to local needs. Additional material is attached outlining the uses to which Lehigh County has applied its funds.

Mr. Speaker, Mr. Bechtel's statement is included in the RECORD at this point, and I should like to invite my colleagues' attention to the compelling case for continuation of the revenue sharing program offered by Pennsylvania county officials:

STATEMENT OF MARTIN J. BECHTEL, PRESIDENT,
PENNSYLVANIA STATE ASSOCIATION OF
COUNTY COMMISSIONERS

Honorable Members of the Congress:

For all of the County Commissioners of Pennsylvania, I would like to express our appreciation to you for giving us the opportunity to spend this time with you today.

As you know, representatives of county government from all parts of the United States are here today to seek support for re-enactment of the general revenue sharing program by explaining to Members of the Congress the need for it in all the counties of our Nation.

The need for the continuation of the program is especially critical in Pennsylvania counties. The Pennsylvania legislature has not expanded the taxing authorities of counties in over 40 years. In this period the cities, boroughs, townships, and school districts have been authorized to levy many new taxes such as the earned income tax, the realty transfer tax, occupational tax, amusement tax, etc. The counties have only a four mill personal property tax, the real estate tax with a twenty mill limit, and in the smaller counties a \$5 per capita tax. But regardless of this imbalance of taxing authority, the legislature continues to mandate

upon the counties all of the important health and social services that are to be provided for all county residents, such as the child care program, the mental health/mental retardation programs, the drug and alcohol abuse programs, the public nursing home programs, and various programs for the aging.

All are worthwhile programs—all are needed programs. All require considerable local matching funds, and in many counties all of the new tax revenues generated from economic growth must be used for these matching requirements.

As a condition for receiving Federal aid under the medical assistance program in our county nursing homes, compliance with the national life safety code was mandated. Since the expensive and extensive alterations would indirectly be a condition for receiving Federal aid, the costs of compliance alterations such as sprinkling systems, etc. had to be financed with county funds and not with general revenue sharing funds. Add to this the normal increased costs due to inflation and increased labor costs due to unionization, and it is readily understandable why property tax rates have been steadily increasing and why more counties, except for the revenue sharing funds, would have continued to postpone, year after year, the modernization or construction of sorely needed facilities that would be for the betterment of their citizens for years to come. Some counties have either reached the legal limitation placed by the legislature on tax millages or are dangerously close to it.

In these counties the bulk of the revenue sharing funds is being used for their top priority need—capital improvement programs that will enable them to provide better public service more efficiently.

In those counties that did not need to undertake extensive capital improvement programs, the commissioners have been able, with public awareness and input, to establish priorities for programs or program improvements that could not be financed solely from county funds.

This list of priorities naturally varies in our counties. Since the county is the most important provider of social services for the underprivileged or aged, many commissioners initiated or improved those services which again would not violate the prohibition against using revenue sharing money to generate additional Federal funds.

Pennsylvania counties, with the exception of Philadelphia and Allegheny Counties, are not authorized to establish police departments, but some counties felt that they could improve the public safety by creating and operating a county wide communication system to serve all local police departments, fire departments, and ambulance services. Certainly public safety has been enhanced with these communication centers.

In some counties it has been determined that public transportation is a top priority, while in others recreation programs have been given priority treatment. Public libraries in many counties have been enabled to provide county-wide availability of their services with revenue sharing funds.

In many instances public interest groups have provided county commissioners with vital information enabling them to put the revenue sharing funds to the best use for the most people.

In summation, I might suggest that the State and local fiscal assistance act of 1972 has been landmark legislation as far as counties are concerned. It has enabled the various counties to do many things to enhance the programs of public safety and health for their residents.

But we are worried. What will happen to the programs that we were able to initiate with revenue sharing funds if the Congress

should allow the act to die in 1976? Some of our programs are too essential and too acceptable to be discontinued—but we do not have the resources to continue them without your help.

The return to the counties of a portion of the income tax paid by county residents has become a way of life. Our citizens have been local tax dollars could not provide.

Northampton County's projection of receipts for the 5 year period January 1, 1972, through December 31, 1976 is \$7,014,645. To this, interest earnings in the amount of \$500,000 is added, making available a 5 year total from revenue sharing of \$7,514,645.00.

Expenditures from January 1, 1972, to date have been made from the revenue sharing account as follows:

Gracedale bond issue.....	\$868,507
Lanta	413,096
New administration building.....	947,673
New voting machines.....	513,200
Job classification and pay study.....	24,999
Major equipment purchases.....	146,308
C.P.A. auditing fees.....	28,579
Reindexing dockets—recorder of deeds	40,156
Miscellaneous	11,559
Total	2,994,077

In addition to these expenditures, revenue sharing funds have been encumbered as follows:

Administration building.....	\$904,492
Gracedale bond issue.....	470,000
Airport bond issue.....	145,000
Architectural fees—Gracedale.....	240,000
Architectural fees—Administration Building	66,000

This leaves available \$2,695,076 of revenue sharing funds to be used to reduce the bond issue for the new administration building, which will reduce interest payments over a 20 or 25 year period.

For all of the counties of Pennsylvania, we respectfully seek your support for the re-enactment of general revenue sharing.

JULY 22, 1975.

GENERAL REVENUE, SHARING—LEHIGH COUNTY ACTUAL USE REPORT

General revenue sharing provides Federal funds directly to local and State governments your Government must publish this report advising you how these funds have been used or obligated during the year from July 1, 1974, thru June 30, 1975. This is to inform you of your government's priorities and to encourage your participation in decisions on how future funds should be spent note: any complaints of discrimination in the use of these funds may be sent to the Office of Revenue Sharing, Washington, D.C. 20226.

ACTUAL EXPENDITURES

Environmental protection, operating maintenance, \$536,096.

Environmental protection, capital, \$149,348.

Public transportation, operating maintenance, \$145,304.

Health, operating maintenance, \$199,135.

Recreation, operating maintenance, \$122,766.

Libraries, operating maintenance, \$17,541.

Multipurpose and general government, capital, \$240,000.

Totals, capital, \$389,348.

Totals, operating maintenance, \$20,842.

Nondiscrimination requirements have been met.

NONDISCRIMINATION REQUIREMENTS HAVE BEEN MET

Certification: I certify that I am the Chief Executive Officer and with respect to the entitlement funds reported hereon, I certify that they have not been used in violation of

either the priority expenditure requirement (Section 103) or the matching funds prohibition (Section 104) of the Act.

ERNIE G. STIEGLER, *Chairman.*

The Government of Lehigh County, has received General Revenue Sharing payments totaling \$1,446,631, during the period from July 1, 1974 thru June 30, 1975.

Trust fund report:

1. Balance of June 30, 1974 \$902,880.
2. Revenue Sharing Funds Received from July 1, 1974 thru June 30, 1975 \$1,446,631.
3. Interest Received or Credited (July 1, 1974 thru June 30, 1975) \$107,381.
4. Funds Released from Obligations \$11,756.
5. Sum of lines 1, 2, 3, 4 \$2,468,648.
6. Funds Returned to ORS none.
7. Total Funds Available \$2,468,648.
8. Total Amount Expended (Sum of line 15, column B and column C) \$1,410,190.
9. Balance as of June 30, 1975 \$1,058,458.

The news media have been advised that a complete copy of this report has been published in a local newspaper of general circulation. I have a copy of this report and records documenting the contents. They are open for public scrutiny at Room 103, Court House, Allentown, Penna. 18105

**GENERAL REVENUE SHARING—LEHIGH COUNTY
ACTUAL USE REPORT**

General revenue sharing provides federal funds directly to local and state governments. Your government must publish this report advising you how these funds have been used or obligated during the year from July 1, 1973, thru June 30, 1974. This is to inform you of your government's priorities and to encourage your participation in decisions on how future funds should be spent.

ACTUAL EXPENDITURES

- Environmental protection, capital, \$68,851, operating/maintenance, \$428,105.
- Public transportation, capital, \$11,756, operating/maintenance, \$131,134.
- Health, operating/maintenance, \$158,000.
- Recreation, capital, \$416,892, operating/maintenance, \$127,825.
- Multipurpose and general govt. capital, \$230,000.
- Totals, capital, \$727,449, operating/maintenance, \$845,065.

NONDISCRIMINATION REQUIREMENTS HAVE BEEN MET

(E) Certification: I certify that I am the Chief Executive Officer and, with respect to the entitlement funds reported hereon, I certify that they have not been used in violation of either the priority expenditure requirement (Section 103) or the matching funds prohibition (Section 104) of the Act.

The Government of Lehigh County has received General Revenue Sharing payments totaling \$1,311,289, during the period from July 1, 1973, thru June 30, 1974.

Trust fund report:

- (1) Balance as of June 30, 1973, \$1,076,979.
- (2) Revenue Sharing Funds Received from July 1, 1973 through June 30, 1974, \$1,311,289.
- (3) Interest Earned, \$87,126.
- (4) Total Funds Available, \$2,475,394.
- (5) Total Amount Expended, \$1,572,514.
- (6) Balance as of June 30, 1974, \$902,880.

The news media have been advised that a complete copy of this report has been published in a local newspaper of general circulation. I have records documenting the contents of this report and they are open for public scrutiny at _____.

**LEHIGH COUNTY ANALYSIS OF ACTUAL
EXPENDITURES**

- I. Capital Expenditures:**
- A. Environmental Protection.
 1. Pre-treatment plant construction and major renovations.
 - B. Public Transportation (LANTA).

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1. Transit authority for purchase of buses.
- C. Recreation.
1. Land acquisition for Parks.
2. Renovation of Historical sites.
- D. Multipurpose and General Government.
1. Payment of principal on bond issue for capital improvements.
- II. Operating Maintenance:
- A. Environmental Protection.
1. Contribution to County Authority (operate sewer and water services).
- B. Public Transportation.
1. Contribution towards operating expenses of Transportation Authority (LANTA).
- C. Health.
1. Payments to local hospitals.
2. Payments to Homemaker services.
- D. Recreation.
1. Tourist and Convention Bureau—Chamber of Commerce.
2. City of Allentown—Recreation Department.
3. Trexler-Lehigh County Game Preserve.
4. Negro Cultural Center.
5. Transfer to General Fund for operating expenses of Parks Department.

**THE THOUGHTS OF MRS. R. A.
INGRAM**

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. FORD of Tennessee, Mr. Speaker, I rise today to call the attention of my colleagues to a matter of great concern to me. I am speaking about a provision of the "Tax Reform Act of 1975" which increases the income tax deduction for the business expenses of Members of Congress while they are away from home.

The people of this country are outraged by this effort by the Members of this Congress to give themselves another pay hike. As an illustration of this indignation, I am inserting here a letter that one of my constituents recently wrote to the editor of the Memphis Commercial-Appeal newspaper:

LETTERS TO THE EDITOR,
THE COMMERCIAL APPEAL,
495 Union Avenue, Memphis, Tenn.

The strike is the "in" thing today; so how about it, taxpayer? Let's go out on strike!

The bunch in Washington recently voted themselves, among other things, a 5% wage increase and now the House Ways & Means Committee has endorsed increases in certain special tax deductions for Congressmen, such as a \$44-per-day deduction while living in Washington. It is very clear that they intend to get all they can from the public trough before the whole country goes the way of New York City!

So how about it, fellow taxpayers? The majority of us are middle-class with medium incomes and we pay the largest share of income taxes. Let's show our spunk and do something about this mess we are in. "Taxation without representation" was the battle cry to our forefathers, and it should have the same meaning for us today! The public treasury is being emptied faster and faster by those politicians who are supposed to represent our best interests but who, instead, are looking after themselves first; playing politics, second (no matter which party—and the country be damned); and, third, buying votes by the thousands from the drones who contribute nothing to the economy of our country and who never had it so good. They are also continuing massive overseas give-away programs.

Who will come forward to lead a fight to get our country back on the right road? Surely not those leeches in government who have overspent and overspent and overspent!

I am sending a copy of this letter to Representative Harold Ford, asking him to read it to his colleagues both on the Ways & Means Committee and to the House of Representatives, as it will give them some idea, at least, of exactly how one of their constituents feels. And let me make it clear right now that this letter is not directed toward Rep. Ford personally. It is directed solely toward those Congressmen who haven't had the backbone to act decisively to stop this wild spending. Anybody with any common sense at all knows that overspending for so many, many years by the Washington politicians has been the main and most direct cause of inflation!

Taxpayers, let's do something—and do it now! And if this be treason, let them make the most of it!

Very truly yours,

MRS. R. A. INGRAM.

When I ran for Congress in 1974, I promised the people of Memphis that I would never vote to enrich myself at the expense of the taxpayers. Both in the Committee on Ways and Means and on the House floor, I intend to keep my word and I urge my colleagues to join me in this commitment.

**GASOLINE DEALERS PROTECTION
ACT OF 1975**

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. RHODES, Mr. Speaker, I am today introducing the "Gasoline Dealers Protection Act of 1975," which is aimed at clarifying relationships between franchised fuel dealers and the major oil companies.

Retailing of gasoline and diesel fuels in the United States is a huge business. It has been estimated that, directly or indirectly, 1 of 7 jobs in this Nation depends on cars and trucks. Sales of motor fuels is a significant portion of this vital service to the American public.

The Arab oil embargo exacerbated a situation that has been building for several years. It involves a termination of franchises by the large distributors, often under questionable justification.

My bill would define the rights, both of process and redress, for these franchisers. They have put their money into a business operation. They receive the mutual benefits of name recognition, national advertising, and a wide variety of automotive products to merchandise. This combination of local initiative and national marketing competence has given the driving public good service and the availability of products that are uniform in quality, and sold under brand names they can identify.

Of necessity, the large distributors control a great deal of the franchise operations, to assure the kind of representation for their products commensurate with the nationwide image they create. Unfortunately, there has been a tendency to summarily lift franchises,

without giving the businessman-investor adequate opportunity to demonstrate good faith, and without definite provisions for legal recourse after the franchise had been canceled.

My bill would lay out the ground rules, clarify the status of distributor-franchiser relationships, and provide injunctive and civil action relief for franchisers who believe they are being unfairly treated, contrary to the terms of their franchise.

It is regrettable that the need for this legislation has arisen. But, I believe that since service stations are a nationwide business operation, necessary for the convenience of the American public, we must act to define the legal status, and monitor the operations between refiner and retailer. I urge that early hearings be scheduled on this needed legislation.

EFFECTIVE CONTROL OF FRAUD AND ABUSE IN THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. KASTEN. Mr. Speaker, earlier this year, the Subcommittee on Intergovernmental Relations and Human Resources of the Committee on Government Operations, on which I served, held a series of extensive hearings on the subject of fraud and abuse review procedures of the Department of Health, Education, and Welfare. The results of the hearings were appalling.

The Department of HEW has an annual budget of over \$118 billion with a total staff of 119,000 employees. Despite its enormous budget and its large labor force, the principal agency for investigating fraud and abuse—the Office of Investigations and Security—has only 10 professional investigators on its entire staff. Only 5 of the Department's 10 regional offices have professional investigators assigned to them.

The chairman of the Intergovernmental Relations Subcommittee, our distinguished colleague from North Carolina (Mr. FOUNTAIN) recently released the text of a letter he had sent to Secretary Matthews of HEW. In that letter, Mr. Fountain stated that the subcommittee's investigation had discovered:

First, resources used to combat fraud and abuse in the Department of Health, Education, and Welfare are woefully inadequate;

Second, the Office of Investigations and Security within HEW has not assumed effective direction of subordinate organizations' investigative activities;

Third, some investigative units within HEW are underworked because of the lack of effective reporting and monitoring within the Department.

Mr. Speaker, in light of these conclusions, I strongly support the action taken by the full House of Representatives this past week in approving a supplemental

appropriation for an additional 30 investigative positions at HEW. I urge the Senate to follow the leadership of Mr. FOUNTAIN in bringing some order out of the chaotic investigation procedures presently employed by the Department of Health, Education, and Welfare.

FOREIGN AID REQUEST FOR ISRAEL

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. O'HARA. Mr. Speaker, the matter of foreign aid to Israel for fiscal year 1976 is of far greater importance than are most foreign aid decisions. At issue are not only the ordinary humanitarian and political considerations. At issue also are the prospects for peace in the Middle East.

In a period when the United States has suffered several setbacks in foreign policy, one of our few and notable successes has been our ability to bring about a step toward peace between Israel and Egypt. In large part we succeeded in this because of the flexibility shown by the Israelis. Israel took grave risks—weakening its defense lines and abandoning its energy independence—in order to achieve the recently signed interim Sinai Agreement. In doing so they placed far greater trust in the United States than nations are wont to place in other nations. It is both morally necessary and in our national interest for us to see that that trust is justified.

Providing an adequate aid package to Israel for fiscal year 1976 is the first step which we can take toward solidifying the progress represented by the Sinai Accords. Our aid will serve two key purposes. First, it will enable Israel partially to compensate for the sacrifices and risks entailed in the Sinai agreement. Israel will have to construct a new defense line and will have to purchase replacements for the oil which it had been drilling at Abu Rodeis. Second, it will enable Israel to maintain that military and economic strength which serves as the most important deterrent to further war in the Mideast. President Sadat of Egypt has come under attack from more "radical" elements of the Arab world for his willingness to enter into an agreement with Israel. The "moderate" Arab response to these attacks is not that Israel has a right to exist, but rather that Israel is a reality which four unsuccessful Arab attempts to destroy Israel have proven must be acknowledged. To provide Israel with less aid than it needs to maintain its military preparedness would serve only to undermine the Arab "moderates" and to invite a new Mideast conflagration.

We should provide the full \$2.3 billion in fiscal year 1976 aid which will meet Israel's minimal needs and which our Government indicated it would provide. We should give this aid on favorable terms, and the Congress should take

those steps, such as earmarking, which will assure that all authorized funds are actually allocated to Israel and not withheld as leverage in further diplomatic dealings.

This is a time when all Americans are deeply concerned about the state of the economy. It is tempting to say that we ought to restrain our generosity to foreign nations when our domestic needs are so great. Yet in the long run the costs—human and fiscal—of a world less stable would many times outweigh the price of our foreign assistance activities. An adequate aid package for Israel will prove a prudent investment in peace in the Middle East.

RESOLUTION CONDEMNING UNITED NATIONS

HON. PIERRE S. (PETE) DU PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. DU PONT. Mr. Speaker, on November 10, 1975 the General Assembly of the United Nations voted, contrary to every principle on which the U.N. was founded, to equate Zionism with racism. Congress immediately reacted to this heinous action by unanimously approving Resolution 885, which sharply condemns the U.N. vote.

Congress has not been alone in exploring the irresponsibility of the United Nations in giving its official sanction to anti-Semitism, however. Individuals, organizations, and government bodies throughout the United States have strongly denounced the U.N. action. One of these government bodies, I am proud to say, is the city council of Wilmington, Del. I insert for the RECORD, Mr. Speaker, a resolution condemning the United Nations for characterizing Zionism as a racist philosophy passed by the city council of Wilmington, Del., on November 13, 1975:

RESOLUTION CONDEMNING THE UNITED NATIONS FOR CHARACTERIZING ZIONISM AS A RACIST PHILOSOPHY

Whereas, the United Nations was established in 1945 as a forum for the promotion of peace and understanding among the peoples of the world; and

Whereas, the United Nations has deviated from this noble goal by the passage of General Assembly Resolutions in which the philosophy of Zionism is maliciously attacked and erroneously characterized as being a racist threat to world peace; and

Whereas, the passage of these two resolutions can have no effect other than to undermine the credibility of the United Nations and the cause of peace and understanding which it purports to serve.

Now, therefore, be it resolved by the council of the city of Wilmington That this Council condemns the United Nations for its unconscionable departure from the principles of humanity and justice so often espoused by its member nations and urges its membership to rescind these two resolutions.

Further resolved that the City Clerk forward copies of this resolution to President Gerald R. Ford, the U.S. Ambassador to the United Nations, and the Secretary General of the United Nations.

WOMEN AND THE AMERICAN ECONOMY

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Ms. HOLTZMAN. Mr. Speaker, the American Assembly, a nonpartisan public affairs forum affiliated with Columbia University, recently conducted a program on "Women and the American Economy." The participants included 64 men and women from 15 States and the District of Columbia.

At the close of the assembly, the participants issued the following recommendations for improvement of the economic status of women in this country. I commend these recommendations to every Member's attention:

FINAL REPORT OF THE FORTY-NINTH AMERICAN ASSEMBLY

INTRODUCTION

America's twentieth century revolution in women's expectations is still in its youth. The shape of a society which offers equal economic opportunity to men and women has not yet emerged; nevertheless, it is clear that the current changes are profound and irreversible. Since it is not possible for half the population to undergo such transformation without affecting the lives of the other half, men's lives will be influenced as surely as those of women.

Women have always worked in the home, on farms, and in volunteer jobs. But large numbers of women have also worked for wages since the earliest stages of the industrial revolution, and the growth in this work for pay now challenges certain institutional arrangements within the family, the educational process, and employment. Changes in these institutions are critical if society is to gain the full measure of women's potentials, acquired skills, and competence. By finding better ways to utilize women's economic capacities, moreover, a broader range of options can be made available to men as well.

The reasons for recent increases in women's work for pay have been well documented, although the interdependence of many factors makes it difficult to single out any one predominant force or to prove one-way causation. The broad factors include industrial development and urbanization; demographic, technical, and educational trends; shifts in the sex composition of the workforce during the Second World War, which had a marked effect on women's attachment to the labor force. Although their work activity has grown dramatically, the value assigned to women's market work remains well below that of men. Low wages and the restriction of women to service and low-status occupations underscore the severity of the problems women continue to face. Particularly serious problems are faced by women who are single heads of low-income families; their numbers have increased very substantially during the past decade. Limitations on job training and constraints on entry to high-level jobs have tended to keep women in a secondary position in the labor market.

In the last decade progress has been made toward removing discrimination against women in the labor market and to broadening the full range of economic opportunities available to them. This progress has resulted from changes in the nation's value system and laws, the women's movement for equality and the larger struggle for human rights, the more active participation of government, and a growing recognition that all segments of

society suffer from losses caused by continued discrimination against women. There has been a failure to develop, recognize, and utilize women's skills both in the educational process and on the job.

But the gap between the present role of women in the American economy and their full and free participation remains wide, and expanded and sustained efforts are required if this gap is to be eliminated. In the process of assessing and monitoring these changes, it is important to identify and eliminate those constraints that impede the hiring and upward mobility of women. In particular, strict enforcement of equal opportunity laws is essential to nondiscriminatory job treatment. Greater flexibility in working schedules would ease the performance of dual obligations of working parents. Highly important also is the critical need for the federal government in cooperation with employers and unions to establish and maintain an economic environment in which the demand for labor is sufficient to accommodate the increasing supply of human talent.

The faster is the pace of progress in removing all discriminatory attitudes and behavior toward women, the greater will be the benefits to our society. These discriminatory attitudes are now imbedded in the ways in which girls and boys are brought up, in which spouses divide the work of homemaking and child-rearing, in which employers assign and promote employees, in which laws are written and enforced, and in which women are degradingly portrayed in the media. The denial of rights and opportunities to women is not only unjust and crippling to women, it diminishes as well the lives of children and of men.

RECOMMENDATIONS

The following recommendations would accelerate women's full participation in the economy and full equality in the society.

EDUCATION

With increases in the proportion of women in the labor force, in the numbers of female-headed households, and in the life expectancy of women, young women should be educated to recognize the probability of future work in the marketplace and be enabled to acquire the skills necessary to earn an income. To this end, sex labelling in all courses and materials should be eliminated and programs, counselling, and guidance, free of sex-role stereotyping should be provided by educational institutions at all levels. Effective methods of intervening to encourage females to study traditionally male-dominated subjects, such as mathematics and science, should be identified and applied. These programs should be geared to the needs of mature as well as younger students and institutions should offer scholarship and loan opportunities, job placement, part-time enrollments, and flexible course schedules.

There should be rigorous enforcement of Title IX of the Education Amendments of 1972 and adequate funding for the Women's Educational Equity Act of 1974. We unequivocally oppose any attempts to retreat from the commitment to undo the effects of sex and race discrimination in higher education.

SHARING OF WORK DONE IN THE HOME

Women should have no more responsibility than men for house work. As market jobs come to be shared more evenly between the sexes, it is essential that a reapportionment of house work be made if the full economic potential of women is to be developed.

The possibility of meeting house work demands by purchasing many of these services in the market should be explored through programs designed to find new services that are financially feasible.

PROVISION OF CHILD CARE

Equality of labor market options for men and women and society's stake in the devel-

opment of the full potential of children make adequate support systems for child care necessary. There is widespread public acceptance of social responsibility for the cost of educating school-age children. It is now time to accept similar responsibility for pre-school children, whether or not their parents work.

Various forms of child care should be funded by government and from other sources. Society will benefit from having a range of child care options available for all children; the costs to society of inadequate child care must be recognized.

FINANCIAL ARRANGEMENTS AND REGULATIONS

Federal laws and regulations, including tax, Social Security, welfare, and financial support systems, should be reexamined to determine their impact on individuals and the family. In particular,

Current proposals for improvements in treatment of women under Social Security should take into account the changing work status of married women and the needs of all women for greater economic independence;

Special attention must be given to the income maintenance and job needs of low-income individuals and families which are frequently headed by women; and

Tax policies should not discourage paid employment by both spouses.

JOB ENTRY AND ADVANCEMENT

Equal opportunity for women calls for the elimination of barriers to job entry and for policies that insure job assignment, training, and promotion without regard to sex. Sex bias in job classifications should be removed. Job standards should state objectively the relevant tasks involved. Jobs and training programs need to be redesigned to avoid sex stereotyping at all levels. Public or private employment with job training and child care services should be provided as an alternative to welfare.

EQUAL EMPLOYMENT OPPORTUNITY LAWS

Government, employers, and unions should assure that, regardless of sex, equal pay is provided for work of equal value; that women have increased and equal access to better jobs through vigorous enforcement of Title VII of the Civil Rights Act of 1964; and through maintenance and implementation of affirmative actions goals and timetables under executive orders for all government contractors. Specifically the pressure to exempt academic institutions from affirmative action requirements should be resisted.

SENIORITY AND AFFIRMATIVE ACTION

Seniority rules may need to be adjusted where they perpetuate past discrimination against affected classes of women or minorities or prevent the attainment of affirmative action goals. Complaints of "reverse discrimination" should be evaluated with careful regard to the facts of each case. What may seem an unfair preference to some may be necessary and appropriate affirmative action to correct past injustice. The competing values of seniority and affirmative action in lay-off situations are recognized.

Consideration should be given to arrangements such as using the unemployment insurance system for paying for the fifth day when work weeks are reduced to four days in periods of recession.

FULL EMPLOYMENT

The vulnerability of women and minorities during periods of high unemployment requires that the achievement of full employment have the highest priority. This may require changes in the economy other than those implicit in fiscal and monetary policy. Unless this commitment is honored, the full potential of large numbers of workers will be lost in the decades ahead.

RESTRUCTURING OF EMPLOYMENT

Options for work in the labor market must be provided that take account of the

needs and abilities of men as well as women to work on other than a full- or part-time basis and to enter, leave, and return to the labor market at various stages in the life cycle. Employers, unions, and government should seek to provide opportunities for variable work schedules on a daily, weekly, or annual basis, and to facilitate a "stopping out" option for parenthood through parental leave, and job level guarantees for those who take such leave.

LOW-INCOME WOMEN

There is urgent need for attention to improving the economic opportunities and social benefits of low-income women, especially those who are single heads of families. The measures needed here include improved provisions for job opportunities, job training, and child care, as well as renewed attention to income maintenance.

HIGH-LEVEL JOBS

Women should be actively recruited for high-level professional and executive positions in all sectors of the economy. More women should be appointed to boards of directors. In order for women to move to these levels, all channels of progression, including full access to formal and informal training, must be opened.

Barriers to the admission and full participation of women in business and professional organizations and informal groups, in which job-related information exchanges occur, should be eliminated.

MEDIA

Since images of women on television, in the newspapers, and in other media often are degrading, programming, including cartoons for children, and advertising, should be examined to remove bias against women. News about women should not be trivialized. Public service announcements should be used to counteract sex role stereotyping.

EQUAL RIGHTS AMENDMENT

Finally, the Equal Rights Amendment must be ratified.

NURSE-PRACTITIONERS

HON. BROCK ADAMS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. ADAMS. Mr. Speaker, the following article appeared recently in the Seattle Times. It describes some of the advances that have been made by nurse-practitioners in the provision of needed health care services and I thought it would be of interest to my colleagues in the House:

NURSE-PRACTITIONERS ACCEPTED IN FIELD (By Al Dieffenbach)

Nurse-practitioners are well-rooted in their new role of replacing physicians in much of the work of Planned Parenthood clinics, a panel agreed here at the Planned Parenthood Federation's national meeting yesterday.

Dr. Louise B. Tyrer, of New York and the Planned Parenthood vice president for medical affairs, said the nurses are seeing fewer patients each hour but are performing more services.

Physicians' reluctance to expand nurses' roles has been overcome, for the most part, she said, but warned that nurses need time to change from "hand-maiden to decision-maker."

Dr. Tyrer said the use of nurse-practitioners has added quality to P.P.F. services, but the cost benefits have not been as great as had been predicted.

Another speaker, however, saw problems ahead.

"We have a ground speed of 850 miles an hour, but we're not sure where we're going," Harriet F. Pipel, P.P.F. general counsel said.

One of the major problems is under-use of nurse-practitioners in many of the P.P.F. local affiliates, according to Miriam Manisoff, a registered nurse, the federation's professional-education director.

Only half the affiliates allow insertion of intrauterine devices by the nurse-practitioners and many restrict the nurses from doing initial examinations, Ms. Manisoff said.

Nonetheless, more than half the P.P.F. patients had no preference as to whether they saw a physician or a nurse and only 12 per cent insisted on a physician, representatives of the Milwaukee Planned Parenthood Association reported.

The national federation will meet here through Thursday at the Olympic Hotel.

FREEDOM OR FRUSTRATION

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 18, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, on this date in 1918, the State of Latvia proclaimed her independence. It is with great pride that I join with Latvians and Latvian-Americans in commemorating the 57th anniversary of Latvia's proclaimed independence.

This 57th anniversary should be a joyous occasion for all Latvians, but there can be little joy under the present circumstances. As we all know, the Baltic States are free in spirit but imprisoned under Soviet domination in body.

Latvia proclaimed her independence and then entered into a year of confused fighting before her independent, democratic republic could be considered secure. Her independence lasted a mere 20 years. In 1940 the state was overtaken by the U.S.S.R., and in 1941 by Germany. In 1944, the Soviets retook possession of Latvia, and the people remain under Soviet rule to this day. The Latvians are a strong people, and even under the great pressure of the Soviet nation, their spirit has not been broken, and they are still hoping, praying, and striving for actual independence.

I salute these remarkable people in their quest for freedom, and it is my sincere hope that they will soon be free from unjust Soviet domination. The rights and privileges that are available to us everyday of our lives, are the things that the Latvian people dream of. As we approach the Bicentennial year, I believe that we should all remember that 200 years ago we too were striving for independence, and we should reflect on how fortunate we are and what our lives would be like if freedom was abolished in America.

The United States has not and will not recognize Soviet rule in the Baltic States, and considers the Soviet takeover as unjust. I hope and pray that someday the Latvian people will enjoy the freedom through a democratic government that we enjoy everyday in America.

ANOTHER CONGRESSMAN AGAINST GUN CONTROL

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. McDONALD of Georgia. Mr. Speaker, my distinguished colleague from California, the Honorable WILLIAM M. KETCHUM presented an excellent summary of his reasons for objecting to current gun-control proposals, in a speech before the American Pistol and Revolver Association in Los Angeles on November 8. I believe it deserves the attention of my colleagues. The text of the speech follows:

SUMMARY BY WILLIAM M. KETCHUM

The recent insane attacks upon President Ford's life have spurred new demands for Federal legislation to control or ban the sale of firearms, particularly hand guns. In my view, this represents an irrational, emotional response to the problem of crime in America. Were there not so many people who believe in gun control in Congress, this trend might not be so dangerous. But I must come before you today with the message that the anti-gun momentum in Washington is stronger than ever. If we are to protect the Second Amendment and our historic right to bear arms, groups like yours must become ever more active in the fight.

I object to Federal gun control legislation for a variety of excellent reasons. First, I believe in the Constitution. I find the meaning of the Second Amendment crystal clear, without needing the Judiciary Committee's staff lawyers to explain it to me.

There is a vast horde of selective Constitutionalists abroad in the land. These are the upholders of the theory that the only pertinent parts of that document are those which protect them. The rest of the Constitution can be considered extraneous baggage. For the past several years there has scarcely been a day when the press has not reminded us of its First Amendment rights, and screamed like a banshee, as they should, whenever one had been trampled. There are many times when I have concluded that many of our fellow citizens stop reading the Bill of Rights after the First Amendment. The Second Amendment clearly reads "the right of the people to keep and bear arms shall not be infringed." This sentence is one which has been selected out of the Constitution to be ignored, since it does not fit in with today's social reformers' plans.

The exact meaning of the Second Amendment has never been defined by the Supreme Court. For the life of me I can't understand why it has to be, since it is written in remarkably uncluttered English. A study of the history of the Constitution clearly reveals, moreover, that our Founding Fathers intended that the right to bear arms was entirely independent of service in the militia, which is the interpretation scorned by advocates of gun control.

I therefore believe that any legislation which would infringe upon the American citizen's right to bear arms is patently unconstitutional. Any gun control legislation, and particularly confiscatory legislation, must therefore be in the form of a constitutional amendment. Needless to say, gun control advocates refuse to take this long and arduous route, especially since it is so much easier simply to ignore the pertinent Constitutional language.

I endorse, however, certain obvious controls on armed weapons. Society surely has a right to protect itself from people marching

along the street dragging howitzers in their wake. Nor do I think it unwise to place restrictions upon the ownership of machine guns. You and I both know that these off-the-wall examples are not what advocates of gun control are after. They want your handguns and your rifles and your shotguns, and are perfectly willing to march right over the Constitution to get at them.

Yet, I believe that even the controls I have mentioned are up to the States to implement. As you know, many states have adopted forms of gun control. While I may, and do, question the wisdom of many of these statutes, I believe that they are properly within the states' jurisdiction. This field, like so many others, is simply none of the Federal government's business.

Back in Washington the Subcommittee on Crime of the Judiciary Committee is holding hearings on new gun control legislation. Considering the Committee's mark-up there is little doubt that some type of bill will be presented to the House. An outright ban on guns is unlikely at this juncture, since there are sufficient Representatives who realize that we are talking about Constitutional rights. But a great deal of emotional pressures exist to place strict registration and licensing restrictions on guns, especially handguns. And this is where the proposals hit you.

Registration of firearms as a deterrent to violent crime is not a new idea. It has been ballyhooed by the "big government" contingent for years. The only astounding thing is that the obvious fallacy of the argument has not yet sunk in.

The underlying assumption beneath compulsory registration of guns is that every American is a potential robber or assassin, and that only the threat of the tracing of his weapon keeps him from fulfilling his ghastly destiny. I think most gun control advocates honestly believe that ownership of a gun represents the first step along the road to homicidal destruction. You and I both know that this is a bunch of nonsense. Between 40 and 50 million Americans own guns. If the prevailing wisdom were true, there would be a shooting spree going on every day that would make the Hatfields and McCoys look like a DAR rally. The overwhelming majority of Americans are peaceable, law-abiding citizens, gun owners and non-gun owners alike. They do not have to be kept from each others' throats by an omnipotent government. Ninety-nine point ninety-seven percent of guns in the United States are not used in crime. If there were actually any real correlation between availability of guns and violent crime, there probably wouldn't be a Switzerland any longer, since every male is required to keep a gun there. Ownership of a gun does not qualify one for a membership in Murder, Inc. But these are facts, like the Second Amendment, which are conveniently, and consistently, ignored.

The second problem with the idea of gun registration has been well publicized. It is argued that registration will deter criminals from using weapons since these can be traced using registration records. This has got to be one of the most looney assumptions of our time. Can you see the friendly neighborhood hold-up man marching up to the registration desk to fulfill his legal obligations? What do you suppose he'd say, "Excuse me, sire, but I'd like to register this gun I'm about to use to rob the gas station with tonight."

The obvious truth is that the people this idea aims at controlling are precisely those who have no intention whatever of obeying the law. Anyone who thinks that registration of guns will serve as a deterrent to crime should be given a free trip to the psychiatrist.

Who will end up registering their guns?

You will, along with millions of other Americans who believe in obeying the laws of the land, even the crazy ones. So you'll have to go through the massive inconvenience of quadruplicate forms, myriad fees, interminable delays in processing, and loss of privacy—all for what? To provide a meaningless assurance that you're not going to blast your mother-in-law after the next argument.

There are some people whose motives for gun registration are perfectly understandable. The Washington bureaucracy is going to have an absolute field day stamping papers to register between 40 and 100 million guns. The Federal Government can hire another small army at taxpayers' expense to perform a useless task. And that's not just a joke. The average cost of processing a pistol permit in the City of New York was \$72.87 in 1968. Multiply that by 100 million and you come up with \$7.3 billion, not counting the inflation rate since 1968. Just what our country needs in addition to the \$80 billion deficit budget.

Since almost no one advocates totally banning guns, even hand guns, the Congress will probably end up considering either partially eliminating certain guns deemed to be particularly "bad"—such as the fabled "Saturday Night Specials"—or registration of all guns. Neither step will be of the slightest value in combatting our actual problem, which is violent crime.

Gun control is, in essence, an emotional response to the sudden upsurge in crimes committed with a gun. It seems that Congress, like the Courts, has decided not to realize that the increase in crime is due to the lack of any penalties and to the revolving-door prisons we have instituted. So with typical courage, Congress has decided to attack guns, not criminals. Seen from this light, gun control is a legislative cop-out. We are giving the appearance of fighting crime, when nothing is actually being done except harassment of the law-abiding.

It's high time to stop wasting our breath and reform our criminal justice system. We don't need a whole lot of new laws, all we have to do is start enforcing the ones we have. The only step I recommend in legislation is enactment of a bill I have co-sponsored making crimes committed with a gun a felony, which imposes mandatory sentences. I also believe that for major crimes involving firearms, capital punishment should be swiftly administered. That will cut down on the crime rate—and fast.

I trust that none of you are criminals. There is no reason on earth why your guns should be taken from you in defiance of your Constitutional rights. It will not make America a safer place. As a matter of fact, by removing an important source of protection for our citizens, it may make our country more dangerous.

Removing guns from the law-abiding is not going to keep guns from the lawless. It will provide a new and lucrative black market business for organized crime. We must also realize that a ban on guns is unenforceable for all practical purposes. The windfall profits to be made in black market guns will make the dollars earned by bootleg whisky look like pennies.

I am certainly not about to force you to register your guns or confiscate them. But there are an awfully large number of my colleagues who are prone to do just that.

So you have a job to do. Yell your heads off to your Congressman and Senators. Get your non-gun-owning friends and neighbors to do the same, and keep the pressure up. Believe me, Washington will listen.

The woods are full of well-intentioned people who are content to nibble away at freedom in the name of the common good, and they're the dangerous ones. More importantly, the woods are also full of well-intentioned people who planned to do something to stop them but put it off for a tomor-

row that never arrived. And then they wondered where and why their rights went. We must protect each and every one of our guaranteed freedoms—or else when the Bicentennial arrives, we'll find we've nothing left to celebrate.

ORGANIZED CRIME, PORNOGRAPHY, AND AMERICA'S NEIGHBORHOODS

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. BLANCHARD. Mr. Speaker, the quality of life in America has long been a favorite topic of social critics and politicians alike. Usually, however, the discussion has been directed at clean air and water, a decent job, and better schools. While these concerns are of great importance to me, and, I am sure, millions of Americans, the debate over improving America has too often ignored the quality of neighborhood life—and such unglamorous issues as drug abuse, street crime, blockbusting, and pornography.

In our rush to build bigger, better cities and suburbs, create environmental consciousness in our wilderness lands and improve our GNP along the way, Government at all levels has ignored the fact that America's neighborhoods have become as disposable as pop bottles and used cars.

From spreading slums and littered streets, our people have always been able to "move West," or, in the current vernacular, move further out in the suburbs to get away from deteriorating neighborhoods. But because of the cost and because of the number of people, the mobility we have grown up with is restricted today.

Government at all levels must examine its direction and its programs to maintain quality neighborhoods and begin to rebuild deteriorating neighborhoods before it is too late.

The deteriorating quality of neighborhood life is, in my opinion, at the root of many major issues and matters we have discussed here in Congress.

Housing, crime, busing, rising ethnic consciousness, and even the debate we have just recently had on New York City—all of these stem from the forces now affecting America's neighborhoods.

Mr. Speaker, I believe the quality of neighborhood life, in one or more of these guises, will be a major issue for years to come.

For that reason, I think it is important that we fully explore and analyze all of the social factors associated with neighborhood decay, trace their sources, and determine what can be done about them.

Vacant storefronts, population loss, aging citizens, and an eroding tax base are usually the forerunners of a lessening of the quality of neighborhood life. The appearance of hard-core pornography and sex-for-sale parlors in recent years have also signified the downward spiral of neighborhood quality.

In this connection, I would like to bring to the attention of my colleagues a very interesting series of articles from the

New York Times, detailing the role of organized crime in marketing pornographic films.

Pornography is an issue in my district, and it is in many others across the country. I believe the information in these articles will be of interest to many of my colleagues, and that this subject should be given a full hearing by Congress when we consider the bills which revise the Federal criminal code.

The article follows:

[From the New York Times, Oct. 12, 1975]
ORGANIZED CRIME REAPS HUGE PROFITS FROM DEALING IN PORNOGRAPHIC FILMS

(By Nicholas Gage)

Organized crime has heavily infiltrated the pornographic film business and is reaping huge profits from such successes as "Deep Throat," "The Devil in Miss Jones" and "Wet Rainbow."

An investigation by The New York Times has found that Mafia money and Mafia members are involved in many aspects of the business, including the financing and distribution of films and the ownership of some theaters.

In instances where they do not have a direct financial share in the film—for example, "Behind the Green Door" and "The Life and Times of Xaviera Hollander"—organized crime figures have simply pirated the film and distributed it illegally, earning millions of dollars without any investment.

The popularity of such films has provided a tremendous new source of revenue for organized crime. Hard-core films are playing in hundreds of theaters across the country—not only in major cities but also in suburban communities and shopping centers.

TURNING LEGITIMATE

Moreover, the great success of these pornographic films—"Deep Throat" has to date made roughly \$25-million—has given several porno moviemakers with Mafia connections the money to go into the production and distribution of legitimate films.

"If the trend continues, these people are going to become a major force in the movie industry within a few years," said Capt. Lawrence Hepburn of the New York Police Department's organized crime division. "The movie business is going to be like the garment business, riddled with Mafia influence."

Although some filmmakers say that Captain Hepburn's predictions are exaggerated, there are many indications that his basic pessimism is well founded.

James Buckley, a co-founder of the porno newspaper Screw, has formed a company with his brothers David and Frederick to produce and distribute both porno and legitimate films.

So far they have produced or distributed, in addition to hard-core pornography, the successful soft-core film "Flesh Gordon," which grossed \$14 million according to the Buckleys, and such nonpornographic films as "Saturday Night at the Baths" and the forthcoming "Bambina," which stars Irene Pappas.

The three Buckleys, who say that their goal is to make the Buckley brothers bigger than Warner Brothers some day, openly acknowledge their dealings with Mafia members, who book their films into theaters. In fact, they say, they prefer to deal with the Mafia.

"We're pro Mafia around here," said David Buckley.

James Buckley spelled out some reasons for that preference: "Mafia guys keep their word. When they make a deal, they stick to it and they pay you up front. We've been waiting eight months for \$10,000 that a major theater chain owes us. Every time we call

them we get a runaround, but nobody in the Mafia owes us money."

Despite the Buckleys' enthusiasm for the Mafia, some members of the porno industry who have been involved with organized crime have found themselves threatened or even murdered.

Jack Molinas, the former Columbia University basketball star, was shot to death in the backyard of his Hollywood Hills home on Aug. 3 and a woman friend with him was wounded. Law-enforcement officials say Mr. Molinas, who had served five years in prison for fixing basketball games, was involved with Mafia members in the distribution and production of pornographic films both in Los Angeles and New York.

Last October a man named Philip Malner disappeared in Youngstown, Ohio, and later his car was discovered with bloodstains on the seat. He has never been found. Mr. Malner has been involved with several Mafia-connected distributors of pornographic films and, according to a police report, was believed to have been killed because his associates thought he was informing on them.

THREATS AND THEFTS

In addition to murder, Mafia members use threats and robbery to increase their profits and convince filmmakers to deal with them. A popular method is to tell a film producer that if he deals with a particular distributor he will be protected from having his film pirated (copied and shown without authorization) but if he refuses to deal he will suffer grave consequences.

The major Mafia figures involved in the distribution and production of hard-core pornographic films, according to law enforcement officials, are Michael Zaffarano, Joseph Gentile, and Anthony and Joseph Peralino.

Michael Zaffarano, who is listed by the Justice Department as a captain in the Mafia family of Joseph Bonanno, was involved in the production and distribution of eight-millimeter porno films several years ago when such films were sold underground.

When the prosecution of obscenity-law violations slackened and hard-core feature films became successful, Mr. Zaffarano went openly into the production and distribution of porno films both here and on the West Coast.

The company he has primarily been involved in is Stu Segall Associates, which has offices at 1600 Broadway in Manhattan and 8564 Melrose Avenue in Hollywood. Mr. Zaffarano, who owns a theater in Washington, was a producer of a hard-core feature called "Defiance," whose showings were stopped by court order when it was disclosed that its leading actress, Jean Jennings, was a minor.

One of Mr. Zaffarano's associates in Hollywood was Jack Molinas, the former basketball star who was shot to death last Aug. 3.

According to law enforcement officials, Joseph Gentile, reputedly an active member of the Joseph Colombo Mafia family, was never "made"—formally initiated into the Mafia—but has been a big moneymaker for the family and holds a special place in it.

Mr. Gentile, who also is known as Joe Lane, prefers to finance the production of pornographic films quietly, using legitimate producers as front men. Only when a crisis occurs does Mr. Gentile emerge from the shadows to show his involvement in particular films.

Some months ago, for example, Mrs. Shelley Wilson, who owns several theaters and a distributing company here, booked the film "Wet Rainbow" into her Cameo Theater on Eighth Avenue. When a dispute arose between Mrs. Wilson and the producers of the film concerning some advertising fees, the producers said they had to call in their "principal" to negotiate a settlement, according to a company employee. He said the man

who showed up for the meeting was Joseph Gentile.

EMPLOYED FRONT MEN

Most successful of all the Mafia figures involved in the production and distribution of hard-core films are Anthony J. and Joseph Peralino, brothers who are listed by the Justice Department as "made" members of the Mafia family of Joseph Colombo.

Authorities say the Peralinos have employed front men, usually individuals who have been associated with their Mafia family, but who were not actual members, to set up a series of companies in Florida and New Jersey to distribute films in which the Peralinos had an interest and to pirate successful films made by others.

The main front man the Peralinos have used for the last three years has been 39-year-old Robert J. DeSalvo, an ex-convict who set up several distributing companies in New Jersey, where he was born, and in Florida, where he lived until legal problems forced him recently to flee to the Bahamas.

Court papers filed in a Federal obscenity case in Memphis, which is still pending, show that while Mr. DeSalvo and his associates set up these companies, the Peralinos controlled many of them by having their own accountant on the scene, by securing access to company bank accounts or by personally directing company operations.

ASSUMES DIRECT CONTROL

For example, according to the Memphis court papers, Mr. DeSalvo set up Shore Distributors in Spring Lake, N. J., on Nov. 26, 1973, but when the company's fortunes failed to blossom in the next seven months, Joseph Peralino moved in and assumed direct control of operations.

Mr. DeSalvo tried to secure distribution rights to successful pornographic films for the various companies he set up by telling producers that he could keep the films from being pirated. If the producers turned him down, according to records, his companies would then proceed to pirate the films.

One producer who decided to let Mr. DeSalvo distribute his film was Herbert Nitke, who financed the making of the commercially successful film "The Devil in Miss Jones." The film was written and directed by Gerard Damiano, who had previously made "Deep Throat."

The film was completed in early 1973. That summer Mr. Nitke reached an agreement with Mr. DeSalvo, giving him control of the distribution of "The Devil in Miss Jones."

One of the companies set up to handle the distribution was the AMMA Corporation, which was established in Florida on Aug. 20, 1973. A few months later, according to a Federal indictment filed in the Memphis case, "Michael Cherubino, acting for and on behalf of Anthony Peralino, assumed the nonofficial position of bookkeeper—nonsupervisory overseer at AMMA Corporation."

ALL ARE INDICTED

Mr. Nitke, Mr. DeSalvo, Mr. Cherubino and the Peralinos were all named in the Federal indictment returned in Memphis. Mr. Nitke and several of his associates in the making of "The Devil in Miss Jones" also have been indicted on state obscenity charges in White Plains, for distributing the film. Both cases are pending.

Unlike Mr. Nitke, several major producers and primary distributors of hard-core films have refused to turn them over to Mafia-connected companies for distribution and have paid for their defiance.

In 1973 two San Francisco-based brothers, Arthur and James Mitchell, produced a film called "Behind the Green Door." The film quickly became very successful, especially after it was revealed that its star, Marilyn Chambers, was the same blonde who portrayed a wholesome young mother on the Ivory Soap boxes.

In October of that year the Mitchell brothers said they were visited by two men named Robert DeSalvo and James Bochs, who said that they wanted to obtain national distribution rights to the film for one of their companies, Gulf Distributors, based in Fort Lauderdale, Fla.

"He wanted to distribute our film, offering us a 50-50 split," said Arthur Mitchell, who is 29. "We told him that we had already made distribution arrangements. They said that if we didn't give them the film, pirated versions of it would be played around the country in a week."

A BAD REPUTATION

"We turned them down," Mr. Mitchell continued, "but a couple of weeks later they called back and made another effort. We turned them down again and a short time later pirated versions of the film started playing in major cities all across the country. We obtained restraining orders, but before we could stop them they hurt us badly. They wiped out several key markets for us: Miami, Dallas, Las Vegas."

He charged that the copies of the film distributed by Gulf were not only pirated, but also were of such poor quality that customers walked out "and our film got a bad reputation."

Mr. DeSalvo and Gulf Distributors also wanted the distribution rights to the film "The Life and Times of Xavier Hollander," but the world distribution rights had already been assigned to a man named Robert Sumner. He began distributing the film on Dec. 4, 1974, and sold rights for a five-week engagement to five theaters in upstate New York owned by Herbert Nitke, who had financed "The Devil in Miss Jones."

A few days later, Mr. Nitke informed Mr. Sumner that the manager of his theater in Buffalo had disappeared with a copy of the film. The manager, who was known as Don Gaitano, had been recommended to Mr. Nitke for the job by Robert DeSalvo. Mr. Gaitano's real name, it turned out was Philip Mainer, the man who later disappeared in Youngstown, Ohio.

The involvement of Robert DeSalvo in the pirating of the film was demonstrated on Dec. 12, 1974, when police raided a film-processing laboratory at 533 West 47th Street. In the lab they found a pirated print of "The Life and Times of Xavier Hollander" and an order for 103 more prints. The order had been placed by Mr. DeSalvo's company, Gulf Distributors.

Mr. Sumner's problems in distributing "The Life and Times of Xavier Hollander" were only beginning. Shortly after the theft, he said he received a call from Ernest Grecula, owner of the Art Cinema in Hartford, Conn., who had bought the right to show the film in his area. Mr. Grecula complained that a competing theater nearby was advertising the same film.

PIRATED VERSIONS APPEARED

Mr. Sumner said he called the other theater and was told by its owner that he had bought the film from Gulf Distributors. And when Mr. Grecula started advertising the film for his own theater, he said he began receiving telephoned threats that his theater would be bombed and he would be hurt if he opened the movie. Mr. Grecula decided not to run the film.

After the Hartford incident, pirated versions of "The Life and Times" began appearing all over the country while theater owners showing the authorized version received threats similar to those which had frightened Mr. Grecula.

In an effort to stop the pirating, Mr. Sumner obtained injunctions against the unauthorized showing of the film. He then received a telephone call from a man who, according to Mr. Sumner, identified himself as a Mr. Putro, a representative of Gulf, and

said "You better not interfere with our bookings or you're going to get your legs broken."

Mr. Sumner declined to discuss the threatening phone call in an interview, but he had earlier told the police that he recognized the voice of the caller as that of a Robert Bernstein of Gulf Distributors, an associate of Robert DeSalvo. Mr. Bernstein and Mr. DeSalvo could not be reached for comment.

Federal agents and police believe that Mr. DeSalvo was working for Anthony and Joseph Perrino, the Colombo family members, in pirating and distributing ventures. The Perrino brothers have been involved in the production and selling of obscene materials for many years, long before pornographic films became legal and fashionable.

According to law-enforcement officials, it was Anthony Perrino who originally put up \$25,000 to produce "Deep Throat," the most successful pornographic film of them all. Robert DeSalvo ultimately was given national distribution rights for the film and an associate of his said during a recent telephone interview, "Tony Perrino owns 'Deep Throat.'"

"Deep Throat" was made by an organization called Gerard Damiano Productions, owned originally by Louis Perrino, son of Anthony Perrino, and Gerard Damiano, who directed the film. "Deep Throat" was filmed in Miami in January, 1972. When the cast and crew traveled to Miami, Althony J. Perrino, Louis' father and a Colombo family member, traveled with them.

When the film was released and began to make money, Louis Perrino bought out the interest of Gerard Damiano for \$25,000.

When a reporter remarked to Mr. Damiano that he seemed to have received unfavorable terms in the deal, Mr. Damiano replied, "I can't talk about it." When the reporter persisted, Mr. Damiano said, "You want to get both my legs broken?"

Louis Perrino declined through his lawyer to discuss the film, but he has previously justified the amount paid to Mr. Damiano by saying, "he was compensated what he asked for—\$25,000. He was even asked to stay. This was his decision."

Louis Perrino has used profits from "Deep Throat" to help establish a company called Bryanston Distributors which has become a major distributor of legitimate motion pictures. Among the films the company has distributed are Andy Warhol's "Frankenstein" and "Dracula." "The Texas Chain Saw Massacre" and the new Frank Bakshi movie "Coonskin." Variety has estimated Bryanston's gross income for last year as \$20-million.

Louis Perrino is president of Bryanston and his brother Joseph is vice-president and secretary-treasurer. A spokesman for Louis Perrino insisted that either his father Anthony nor his uncle Joseph is in any way involved with Bryanston.

SUN CITY'S QUILTERS TACKLE PATRIOTIC TASK

HON. SAM STEIGER

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. STEIGER of Arizona. Mr. Speaker, one of the most unique Bicentennial projects to come to my attention is under way in Sun City, Ariz., where more than 100 citizens are involved in making a large Bicentennial quilt.

The story of this patriotic community endeavor was told in a feature article in

the "Arizona Republic." In hope that other communities throughout the country might like to emulate this project, I insert the article by Thelma Heatwole to be printed in the RECORD:

SUN CITY'S QUILTERS TACKLE PATRIOTIC TASK (By Thelma Heatwole)

SUN CITY.—Nimble fingers are at work here fashioning a Bicentennial quilt, a project that has drawn the involvement of 110 Sun City residents and an investment of 1,500 hours of work.

"It's going to be the most fantastic quilt ever made in Arizona," said Mrs. Viola Cody, the coordinator of the project.

There are hundreds of work hours ahead. The king-size quilt is double-faced with one side featuring stars and stripes in red, white and blue.

The other side has 63 squares depicting activities and scenes in Sun City, including golfing, dancing, bicycling, churches, and desert vistas.

Mrs. Cody originated ideas for the Sun City scenes and 13 artists, nine of them men, helped put the design together.

The quilt blocks have already been pieced or embroidered.

The big chore now is quilting, a task tackled by 21 quilters. The oldest is Mrs. Amelia Whirlledge, 80, who came here from Goshen Ind. and makes a hobby of quilting.

To get the chore done by an anticipated Dec. 14 deadline, quilters work four hours a day, six days a week. Fifty-seven seamstresses have been involved in the project.

The finished quilt will be placed in a frame of Arizona-grown pine.

The idea of the quilt began with Mrs. Bobbe Roman, a Sun Bowl Plaza merchant. She placed a letter to the editor July 29 in the News Sun calling for quilting volunteers to lend their talents to a lasting memento of American Heritage and the project was launched.

The Sun Bowl Plaza Merchants Association provided all materials for the quilt, including 300 square feet of Arizona cotton fabric, thread, perle cotton and yarn.

The Bicentennial quilt is expected to be presented to the Sun City people in a Jan. 14 ceremony in the Sun Bowl. After being exhibited in Sun City, the quilt will be exchanged in exhibition for a new New York City Bicentennial quilt.

"It will never leave Sun City permanently," said Mrs. Cody. "We hope someday it will be in a museum here."

OSHA NEEDS ALTERING

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. COLLINS of Texas. Mr. Speaker, the Occupational Safety and Health Act of 1970 is one of the most controversial laws now in effect. It has proven a disastrous obstacle for American business, in particular our small business concerns. For example, a survey conducted by McGraw-Hill publications indicated that OSHA cost business \$2.5 billion in 1973 and \$3.1 billion in 1974.

Some idea of the bureaucratic stupidity behind the OSHA regulations can be gained from the experience of "Blackie's Boatyard," in Newport Beach, Calif. Here is the incident which appeared in the May 1975 Reader's Digest:

Facing up to a possible \$1,000 fine, Gadarian appeals to a Federal hearing examiner. After Gadarian revealed that the water around his dock was only three feet deep and consequently, did not require a ladder for rescue should someone fall off the low pier into the water, as the victim could stand up and easily climb back upon the pier, the examiner certified that Gadarian was innocent of the charge.

AN OVERVIEW OF THE ECONOMY OF THE DISTRICT OF COLUMBIA

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. SISK. Mr. Speaker, we have all struggled with the question of how to revitalize our urban cities. The Federal Government has poured billions of dollars into the cities to arrest decay and deterioration.

Too often, however, we have failed in our efforts and urban cities become sores for which we believe there are no cures. The success or failure of our urban efforts depend in large measure, of course, on the attitudes of local businessmen and officials.

I was pleased, therefore, to have the opportunity a few days ago to read a report on the economy of the District of Columbia and, more importantly, on what can be done to revitalize the Nation's Capital.

The report was written by Knox Banner of the National Capital Downtown Committee. As a former chairman of a subcommittee of the Committee on the District of Columbia, I have known Knox for several years and have come to admire his determination to make the District a model city.

What is important about the report Knox wrote, I think, is that he and the National Capital Downtown Committee acknowledge there are serious problems, but they have the will to overcome them.

I believe it would be useful, therefore, to have the study printed in the CONGRESSIONAL RECORD so that all my colleagues may have the opportunity to review it:

AN OVERVIEW OF THE ECONOMY OF THE DISTRICT OF COLUMBIA

As in all other cities in the nation, the District of Columbia and its people are experiencing economic difficulties which stem from the problems of the national economy. Inflation and unemployment are major concerns across the country. Washington has felt the sting of inflation, particularly in terms of the greater cost of housing. And there is increased unemployment, especially among young blacks. But while these problems are a great concern to all, it must be noted that Washington has not experienced the same depth of difficulties as most other major central cities due largely to the insulated nature of the local economy, still dominated as it is by government employment. (Please note that this observation is not very meaningful to the individual who is unemployed.) Many feel that the overall economic picture is not bright, despite the pronouncements by various national leaders. This affects all aspects of the local economy, of course, and it is not much comfort that the depth of our difficulties is not so great as in other major cities.

The District of Columbia continues to lose

population. This is consistent with national trends wherein population continues to be concentrated in greater and greater numbers in metropolitan areas but at the same time is decentralizing (suburbanizing) within those major population centers. From 1973 to 1974, the District's population declined by 9,000 persons and now totals approximately 723,000. But interestingly and significantly, during the same time period, the number of households in the city rose by 5,000 to a total of 277,000. It is this rise in number of households and their generally upper income nature which provides cause for judicious optimism regarding the city's economic future. Average household income in the District was \$15,686 after taxes in 1974. This is more than 14% above the national average.

Coupled with this is the beginning of a trend back to the city and specifically back to in and near downtown among predominantly young individuals and families plus so-called "empty nesters." The trend is aided, in part, by no-growth policies in the suburbs and by the environmental and energy situation. The increase in the number of households and the back-to-downtown movement create a base for the construction of new housing, rehabilitation of existing housing, improved business opportunities, and greater tax revenues for the city. But these good things for the local economy are related to positive and prompt actions which must be taken by the District Government and others to strengthen the trends and take full advantage of them.

For example, there is a need for an approach to solving some of our financial problems and municipal services on a metropolitan basis. One example could be a regional sales tax to help finance Metro.

For example, long-range positive rather than negative answers must be developed and used intelligently and intensively to increase and improve the housing supply. The city's rent control regulations, its ban on condominium conversion, and its intentions to strictly control rehabilitation resale have produced a virtual end to new residential construction, and prospects for abandonment are increasing. The result is a growing housing shortage at the very time that demand is mounting due to the growing number of households and the back-to-the-city movement.

There may be little question that these latter negative actions on the part of the District Government have merit—at least on a short range basis—from a non-economic point of view, but in terms of economics, they are largely self-defeating. The physical, social, and economic health and vitality of the city are intertwined. There should be much cause for concern if a balanced approach considering economics is not taken on a long range basis in dealing with housing and business enterprise.

A positive trend for the District which pertains to this overview is Washington's growing dominance as the center for association activities in the nation—Washington now surpasses New York and Chicago. In 1972, approximately 40,000 persons were employed in association work here with about three-fourths of these being located in the District. Associations, along with professionals, account for much of the office space demand in the city. In turn, the creation of office space produces revenues for the District and helps assure an increasing employee population which supports retail and service uses, thus having a multiplier effect. Various sources on the subject of office space have projected a short term excess of office space supply over demand, resulting in a higher than normal vacancy rate for office space in the District of Columbia in the immediate future. While this is of concern, a vacancy rate of 8% or 9%—up from less than 2%—is still favorable by comparison to other major cities. Again our insulated economy has come to our aid.

Moving now to specific actions being taken and to be taken to advance the local economy, here is a synopsis:

Metro—while further delayed—should begin operating shortly. Projected to return three dollars for each dollar spent on its construction, METRO will surely—whatever the benefit figures turn out to be—greatly enhance development potential, business activity, and public tax revenues.

The Bicentennial—At the price of some inconvenience, congestion, and environmental difficulties, the city should benefit to a considerable extent economically from the additional millions of people coming to Washington in 1976. The magnitude of the benefits as well as of the difficulties relates closely to the quality of the preparations now underway, of course.

Pennsylvania Avenue Redevelopment—With the plan now approved by Congress and the White House apparently looking favorably upon the revitalization proposals contained in it, the District should enjoy an economic stimulus because of Pennsylvania Avenue redevelopment.

Civic Center—With new awareness of the need to identify and develop additional sources of revenue for the city, fresh interest is being expressed in development of a civic center in Downtown. And the economic spinoff will be substantial. The city's business community has staunchly supported development of a civic center as the single most important remaining public facility needed to help spark the local economy and assist in Downtown revitalization.

Let me summarize and emphasize.

Over the past two decades throughout the United States, there has been increasing cooperation between the public and the private sectors in working to solve urban problems. In the older downtown of the District of Columbia between the White House and The Capitol, this has been exemplified by the work of Downtown Progress and of other business and civic organizations with all levels and branches of government here. Business leaders have contributed both time and supporting funds to these organizations to help improve the economic vitality and the quality of life in this part of the District of Columbia.

Substantial progress has been made, but much remains to be done. From the doldrums of the forties and fifties, the old downtown since 1960 has nearly a billion dollars in private and public development completed, underway, or scheduled to begin. This totals nearly 20 million gross square feet. The new opportunities afforded by Home Rule can increase the effectiveness of this public-private effort if both government and business work even harder at it.

Business generally is re-examining its role and its responsibilities, and the District of Columbia government is doing the same. Together, we must achieve:

A sound tax program.

A balanced budget as responsive as possible to local needs.

Essential public services.

Improved housing supply.

Increased employment and business opportunities.

An improved educational system at all levels.

Safety and security in the street, home, and place of business.

While these goals may be defined somewhat differently depending on who is doing the defining, it seems to me that we need to be aware of a number of potential obstacles to achieving these goals, including:

For example, tax programs which tend to drive out business rather than to attract additional business which would bring increased revenues and increased employment;

For example, the lack of positive encouragement of private development which will enhance the tax base;

For example, rent control and a freeze on condominium conversions which continue

past an emergency period during which positive rather than negative solutions should be developed;

For example, a criminal justice system that fails to function more effectively in both preventive and rehabilitative aspects;

For example, a public review process in which a vocal few can stop any development—public or private—no matter how useful it may be to achieving community goals.

We must overcome these obstacles. The opportunities are here for accomplishment and success by the combined effort of the public and private sectors to make a better city for all of us.

As the national economy improves, the District of Columbia—we—all of us—must be ready to make the most of the opportunities for our city.

URBAN REVITALIZATION NEEDED

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. NOWAK. Mr. Speaker, in the area of Federal domestic policy, it is clear there are few problems today that are purely Federal or purely State or purely city. For instance, if the Congress gives a tax cut to stimulate the economy and the States must then raise more revenue by the use of the regressive property tax, the purpose of the Congress is thwarted.

Hence, when talking of urban problems, all levels of government must be considered so what one is trying to accomplish does not negate a goal of another.

I am from the city of Buffalo, N.Y. In a sense, there are two Buffalo, New Yorks. One is the metropolitan area where more than a million persons live and work. This metropolitan Buffalo has an expanding tax base and built a \$20 million stadium while lowering taxes 3 of the last 4 years. The other Buffalo is the traditional area within the city limits, which is only a small part of metropolitan Buffalo. In fact, the city limits have not changed since 1854, approximately 50 years before the automobile. However, this area has a concentration of tax-free government buildings, non-profit organizations, bankrupt railroad properties, and the poor and elderly, who require a high level of public services.

Like many other cities, Buffalo has been forced to curtail essential services, reduce its municipal payroll, and delay needed community improvement projects.

The reason is not that the city has been extravagant. In the case of the city of Buffalo, the fiscal crisis can be traced to the loss of a sizable portion of its middle-class tax-paying residents. Since 1950, Buffalo's population has declined by 100,000.

Buffalo's austere approach to city finance was attested to in an article in the Wall Street Journal on June 23, 1975, which said in part:

In fact, it could be said that if Buffalo's approach had been applied to New York City 10 years ago, that metropolis would now be the darling of the credit markets, while if

New York's attitudes had taken root in Buffalo that upstate city would long since have been a ward of the bankruptcy courts.

The key point is that the fiscal problems of cities like Buffalo are not solely the result of self-inflicted wounds like municipal waste and extravagance. The cities, for example, did not encourage middle class taxpayers to move to the suburbs. Unwittingly perhaps, some well intentioned Federal Government programs resulted in encouraging an exodus to suburbia. Mobile, educated citizens have taken advantage of the Federal incentives which had led to suburban sprawl in the areas surrounding Buffalo and other major cities.

Take the GI bill for example. In Erie County, which includes the city of Buffalo, there have been 66,348 such loans totaling \$701 million. While figures for the city of Buffalo alone have been available only for the last few years, they show that up to 80 percent of these loans in a given year went to suburban borrowers.

Compounding this suburban bias were reports that the Federal Housing Administration—FHA—at one time had a policy of redlining—refusing to approve Federal loan guarantees—in certain urban areas.

To get the middle class to their suburban homes, the Federal Highway Trust Fund and various State user taxes were funneled into road construction projects that in effect further subsidized this suburban flight. There is an antiurban bias in this process also. For instance, in fiscal year 1970 when the New York State gasoline tax counted more than \$20 million in receipts from Buffalo, the State spent less than \$640,000 for road construction within Buffalo.

Long after the cities had borrowed money to build sewers, the Federal Government subsidized sewer construction, again making the suburbs more attractive. In Erie County, \$240 million in federally funded sewer projects are underway outside of Buffalo.

Even legislative arenas have been unfair to the cities. For years, cities argued they were underrepresented in county, State, and Federal legislatures. The courts, however, took a dim view of the one man-one vote argument, until the population had already shifted to the suburbs.

Our cities are a key part of our society, producers of a large portion of our national wealth, buyers and consumers of products and produce from nonurban areas. They are also the source of livelihood for many suburban residents. In Buffalo alone, an estimated 90,000 persons daily commute into the city to work and return to their suburban homes. Is it surprising then that Buffalo's population has dropped by 100,000 since 1950?

The programs that gave large impetus to suburban sprawl—the GI bill, restrictive loan policies, the Highway Trust Fund, federally supported farm mechanization programs that forced rural residents to seek jobs in the cities—were not instituted to harm the cities. Yet, that has been the long-term impact.

Even food prices are adversely affected by suburban sprawl. As the suburbs move

further outwards, the price of land in nearby rural areas becomes more precious and more expensive as speculators try to determine where the sprawl will eventually lead. During the 1960's, it is estimated, 2,000 acres a day were converted from rural to suburban areas.

While we are pouring billions into developing the infrastructure to support suburban development—sewers—now 75 percent federally funded—roads, plazas, schools and hospitals—facilities in the cities often remain underutilized and funds are lacking for their modernization and improvement.

Today, with energy at a premium and environmental concerns at the forefront of policy decisions, we must recycle the land and infrastructure already invested in our cities. Greater regionalization of services, where it will be more efficient, must be considered. We cannot erect a fence around the poor. We have subsidized the suburbs. Now, we must reinvest in the cities.

The environmental savings alone in rejuvenating our cities—using the streets that are built, the utilities that are available—is greatly superior to the continued high expenditure of Federal funds to encourage sprawl. We must begin to take greater advantage of the assets that already exist in our urban areas.

Economic development spearheaded by a broadened Federal Economic Development Administration—EDA—funding concept is an essential element.

We must also devise ways to make urban areas more attractive for private investment. Our goal should be to make it as attractive for American corporations to invest in Buffalo, for example, as our current tax laws make it attractive for them to invest overseas. In this vein, I have sponsored legislation aimed at providing one such incentive. My bill would increase the 10-percent business investment tax credit to 15 percent for investments in plant and equipment in areas designated as economically needy by the Commerce Department.

It is just not true, as has been said, that "real estate wears out." The cost of investing in new areas is so great that economically and environmentally it makes better fiscal sense to go back to the cities.

Promoting neighborhood revitalization by tax credits for housing repairs and modernization and devising ways to give banks incentives to approve home improvement loans within urban areas would cost far less than continuing to invest in multimillion-dollar roads, sewers, and utilities farther and farther from places of employment. We must encourage balanced planned communities within the cities, a balance of commercial and residential construction integrated, so business as well as individuals will have a stake in the community. That concept was very successful in the Allentown area of Buffalo.

We cannot tell the cities they must fend for themselves, because other areas did not fend solely for themselves. The 75 percent federally subsidized sewer construction program and federally financed roads that helped promote suburban expansion compare with the cities'

original sacrifices of building roads and sewers without outside help.

The cities need and deserve help now. We must take a long hard look at the problems confronting our urban areas now. Delay will only see matters worsen. The study process, however, should be accelerated so that as soon as possible we can begin to implement solid initiatives to revitalize these areas, which are the core of our civilization.

"THRIFTY FOOD" PLAN INADEQUATE TO THE NEEDS OF FOOD STAMP RECIPIENTS

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. MATSUNAGA. Mr. Speaker, on September 19, 1975, the Department of Agriculture published proposed new regulations for issuing food stamp coupon allotments. (Federal Register for September 19, 1975) The action was in response to a Court decision handed down, June 12, 1975, *Rodway versus U.S. Department of Agriculture*. The Court ordered the Agriculture Department to follow proper administrative procedure in issuing food stamp regulations which guarantee all recipients the opportunity to purchase a nutritionally adequate diet. USDA proposed three alternative proposals, all of which are inadequate to meet the needs of impoverished senior citizens as well as other needy food stamp recipients. The reason for this outrage is USDA's new "Thrifty Food Plan." The Thrifty Food Plan is not geared to provide recipients with a "nutritionally adequate diet." It is based on food consumption data derived from a survey that is almost 10 years old; it is premised on the amount of money certain households actually spend for food, not on the amount needed or adequate nutrition; and it does not consider variations in regional food costs or variations in the individual health of the food stamp participant.

At this point, I insert an article by Marian Burros from the Washington Post, which presents an in-depth examination of the Thrifty Food Plan: *Living on Food Stamps a Losing Battle—Washington Post, Thursday, November 13, 1975.*

LIVING ON FOOD STAMPS: A LOSING BATTLE
(By Marian Burros)

Critics of the Agriculture Department's Thrifty Food Plan, the plan which determines food stamp allotments, say the human equation was never factored into it.

President Ford's Consumer Advisor, Virginia Knauer, brought this deficiency to USDA's attention in a letter dated Oct. 10: "It may be possible to achieve a nutritionally adequate diet at the food spending levels of the Thrifty Food Plan if one is a nutritionist or home economist, but it is unrealistic to assume the 'poorest of the poor' will be able to do so."

"We question the assumption inherent in the Thrifty Food Plan of 'average' home-maker skill and interest in households with very low food budgets."

Knauer's statement is similar to com-

ments made by USDA itself several years ago. "Many homemakers with limited budgets do not have the skill or interest or equipment needed" to provide a family with nutritionally adequate meals.

The Thrifty Food Plan, an updated version of USDA's Economy Food Plan, actually requires less money than the earlier plan. When the Economy Plan was devised, USDA did not envision it as a basis for food-stamp allotments because, the agency said: "It is unlikely that families will have good diets at the Economy Plan level." It is "for temporary use when funds are low."

The Thrifty Plan, which is deficient in iron for women of child-bearing age, teenage girls and young children, uses less meat, vegetables and fruit and more bread and cereal products than the other three, more costly plans devised by USDA nutritionists.

For example, on the most expensive weekly food plan, an adult woman is allowed 5 pounds of meat, almost 3½ pounds of citrus fruits and tomatoes and slightly more than ½ pound of cereals. The Thrifty Plan allows less than 2½ pounds of meat, almost 2 pounds of citrus fruits and tomatoes and almost 1 pound of cereals.

Recently the courts have found that food stamp allotments based on the Economy Plan do not provide a "nutritionally adequate diet." Their decision was the result of a suit brought by a New York-based public interest group, Food Research Action Center (FRAC).

But FRAC is not satisfied with the Thrifty Plan as a basis for allotments, either. The organization's director, Ronald Pollack, has called it "a subversion of the food stamp program which calls for a nutritionally adequate diet." He has charged that instead of determining a diet the poor reasonably could be expected to follow, USDA had to "make sure the Thrifty Plan is no more expensive than the Economy Plan, which is one hell of a way to determine an adequate diet."

Betty Peterkin, USDA nutritionist in charge of devising the food plans, says the revisions make it possible for food stamp recipients to eat properly. In 1969 she was not as certain about the nutritional adequacy of the lowest-cost food plan. At the time she recommended the plan which allows 20 per cent more money than the Economy Plan because, she said, "Only one in 10 (persons) had an adequate diet on the Economy Plan."

According to USDA's 1965-66 Household Consumption Survey, on which the Thrifty Plan is based, less than 10 per cent of the people eating at the cost of the Economy Plan had a proper diet.

In addition, major shifts in eating patterns have not been taken into account in the revised plan. Peterkin said it was impossible to do because there is no data available.

Knauer wrote to the agency: "It is our contention that there have been significant changes in American food buying patterns in the last decade, particularly by those with very low incomes as a result of economic necessity." For example, 1972-73 data reveal that there has been at least a 15 per cent shift in purchasing habits for several major food categories purchased by lower-income consumers since their last survey in 1961-62."

According to Mary Goodwin, a nutritionist with the Montgomery County Health Department: "The Thrifty Food Plan also assumes that people are going to know what to buy. Yet there is no money in the food stamp program for nutrition education. How are they going to know what is nutritious to buy," she said, "when USDA promotes the idea that 'all food is good food.'"

Goodwin says the Thrifty plan makes assumptions which are unrealistic: in addition to lacking shopping skills needed to make it work, the poor don't necessarily have adequate refrigeration or storage facilities, or the money with which to buy the large-size products rather than smaller and more expensive ones.

Peterkin said that the new plan was tested for about a week on seven welfare families, a number she admits is inadequate. They were supplied with menus, recipes and food lists. A member of Peterkin's staff discussed the plan with each family every day. Such monitoring by nutritionists is not available ordinarily to food-stamp recipients. At the same time, Peterkin isn't "convinced menus and recipes are all that useful because no family is going to want to eat just the things we suggest."

Beyond the faults which critics find with the plan itself, Goodwin says: "If in fact you could get an adequate diet from the Thrifty Plan, you don't get the necessary money to buy it."

Goodwin points out that:

The food-stamp allotment is established every six months. The allotment for January through June, 1976, is based on food prices as of July, 1975. Food costs have been rising steadily since 1972, with only a few exceptions. As a result the allotment this January will be based on prices already six months old; by June there will be a 12-month lag.

Peterkin agrees that "this is a problem, but changing the allotment more frequently is administratively difficult."

There is no allowance made for regional price differences. The allotment is based on an average of food prices in 40 cities, but Goodwin found that in 19 cities prices for food were higher than the average.

No allowance is made for the fact that food frequently costs more in the inner city where many of the poor live. The allotments are based on supermarket prices. Often, inner city residents cannot shop in supermarkets, but must shop in more expensive "mom and pop" stores.

Peterkin acknowledges that USDA has "no answers to many of these questions."

No allowance is made for meals outside the home, a fact which Goodwin finds particularly harmful for the elderly because, she explained, eating at home alone "promotes loneliness and isolation."

Goodwin is also concerned because the plan does not take into account ethnic, cultural, social and religious differences which affect peoples' food choices. "Food," she said, "is supposed to be a pleasurable experience, but the homogenized Thrifty Plan robs the poor of this pleasure, one of the few pleasures they have."

The biggest problem, she said, "is that people are people. They are not test tubes, they are not in cages where they can be fed what they are supposed to eat."

USDA is required to consider all the comments which they receive and devise a plan which resolves significant problems and criticisms. If they are not resolved to FRAC's satisfaction, the organization will take USDA to court again.

THE CITY OF COMMERCE HONORS
STEPHEN S. FILIPAN

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. DANIELSON. Mr. Speaker, on June 2, 1975, the City of Commerce renamed a road Stevens Place in honor of one of my constituents, Stephen S. Filipan. This tribute was well deserved by a man who has unselfishly served the business and residential community of Commerce. The Stevens Restaurant has been a focal point of community activity.

However, this moment of honor has been marred by the tragic fact that Steve

will never know of it. He has been in a diabetic coma for nearly 3 years. His life is maintained by a machine and there is no hope of his recovery. Once again a family is faced with the unbearable sorrow of having one of its members continue to live but has no chance for life.

Therefore, I wish to express my sorrow to Mrs. Mary Filipan and to their children James and Donna and to join with the people of Commerce in honoring this man of service.

CONGRESS MUST ACT AGAINST NUCLEAR PROLIFERATION

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. LONG of Maryland. Mr. Speaker, on Sunday, November 16, I participated in the Critical Mass Conference on nuclear power as part of a panel on nuclear exports and nuclear proliferation. I should like to insert in the RECORD my statement for that session and would like to bring to the attention of my colleagues my recommendations for congressional action on this problem, a threat to the survival of us all.

The text of the statement follows:

CONGRESSIONAL ACTION AGAINST NUCLEAR PROLIFERATION

(By Hon. CLARENCE LONG)

Congress must move to control U.S. exports of nuclear fuel, reactors, and technology. Nuclear weapons will proliferate unless suppliers agree on effective measures to prevent the development of nuclear weapons, especially by underdeveloped countries.

The difficulties of bringing more Congressional control over nuclear exports are manifold. If control is to be obtained, it will probably be only through grassroots pressure to force and support Congressional action.

In an attempt to bring nuclear proliferation under control, I have since June, 1974, offered three amendments:

June 1974—an amendment requiring the U.S. Executive Director of the International Development Association (IDA), one of the major multilateral aid institutions, to oppose any loan to any country which developed a nuclear explosive. This passed by voice vote and became law.

July, 1974—an amendment to require Congressional approval of nuclear agreements sanctioning the supply of nuclear equipment or fuel to other countries. The amendment passed by 3 votes (194-191).

However, the Joint Atomic Energy Committee, also the Conference Committee, removed my amendment even though the Senate had barely defeated a similar amendment by 3 votes and went back to their original procedure of allowing Congress to veto nuclear agreements by concurrent resolution, a far less effective and indeed a constitutionally questionable procedure. A motion to recommit the Conference Report with instructions to re-insert my amendment failed on October 10, 1974, by 87 votes (143-230).

June, 1975—an amendment to the Nuclear Regulatory Commission authorization bill to suspend nuclear fuel supplies (and other nuclear exports) to countries like France and Germany which are providing nuclear weapons capability—in the form of nuclear

fuel-making facilities—to countries like Brazil and Pakistan that are not even parties to the Nonproliferation Treaty.

Despite the fact that my amendment had a Presidential waiver to allow exports if the President was willing to say that the national security required such export, my amendment lost by a vote of 117 to 139. It is possible that, if 177 Members, including many liberals, had not already gone home before the vote took place late Friday evening, the result might have been different.

ARGUMENTS OPPOSING LIMITATIONS ON NUCLEAR EXPORTS

The first argument opposing limitations on nuclear exports is that there is a strong international nuclear safeguards system implemented by the International Atomic Energy Agency (IAEA); there has been no instance of violation of these nuclear safeguards to produce a nuclear weapon.

If the international safeguards regime is so effective, how was India able to explode a nuclear bomb? The answer is given that the reactor from which the Indians got the plutonium for their bomb was not under safeguards. But all a country needs is one reactor not under safeguards to obtain the plutonium for a bomb.

The Administration is proposing to sell Egypt two nuclear reactors that will produce over 600 lbs. of plutonium annually (enough for 30 nuclear weapons of the Nagasaki-Hiroshima variety). Secretary of State Kissinger argues that the sale will be made under the "most exhaustive system of safeguards in existence." The reactors will be—

Subject to International Atomic Energy Agency (IAEA) and bilateral U.S.-Egypt safeguards against diversion;

Subject to a U.S. right to specify where spent fuel rods will be reprocessed, and where the separated plutonium will be fabricated and stored; and that such reprocessing, fabrication and storage will be outside Egypt;

Subject to standard U.S. security regulations regarding physical security (i.e. against theft, terrorism, etc.);

Subject to a new standard that, if Egypt later copies our technology to build their own reactors, those copied reactors will themselves be subject to IAEA safeguards.

However, when I asked Dr. Kissinger on Friday whether Egypt, after getting this nuclear technology, could not simply throw us out as it did the Russians before the Yom Kippur war and set about making nuclear weapons, he admitted that it could. Kissinger could not even say that our nuclear agreement with Egypt would prohibit the Egyptians from using our reactor to produce nuclear weapons if they used non-U.S. nuclear fuel to produce plutonium that was then swapped to another country for "laundered" plutonium.

Even if safeguards are legally sound, there is still the question of how effective is the enforcement. The regulatory arm of the International Atomic Energy Agency, which is responsible for implementing nuclear safeguards, is underfunded and undermanned. Less than one-fifth of the International Atomic Energy Agency's annual budget goes for the inspection activities of the Agency. The rest goes to promote nuclear power. The Agency has substantially less than 100 inspectors for almost 400 nuclear facilities around the world subject to its safeguards. Agency inspectors inspect reactors only at three-month or longer intervals, and the inspections are mainly accounting procedures.

Physical security standards vary widely. In June of this year, a West German politician, to test physical security, walked into a large German nuclear power plant with an anti-tank grenade launcher on his back. If terrorists took over and blew up a nuclear re-

actor, they could cause the radioactive contamination of thousands of square miles and thousands of deaths. At present, the International Atomic Energy Agency has no responsibility to set or enforce physical security standards.

2. The second argument opposing the restriction of U.S. nuclear exports is that if the United States restricts nuclear exports, it will deny itself a lucrative market. The U.S. can't afford to lose the foreign exchange.

The possibility that the world will be destroyed is greater than that much money will be made. Without some nuclear restrictions, dozens of countries may soon have nuclear weapons. The United States could someday be hit by a nuclear attack and not know who its attacker was. Our nuclear arsenal would have no deterrent effect, for we would not know whom to strike back at. We might even strike back at the wrong country. To provoke us into a nuclear war might even be the purpose of such an anonymous nuclear attack.

Of course, there is the argument that if the world is to be destroyed, let us at least make money in the meanwhile on the export of peacetime nuclear power technology.

However, the Barber Report, submitted in February, 1975, to the Energy Research and Development Administration, concludes that most developing countries, except for a few like Mexico, India, Brazil, and Iran, may purchase relatively little nuclear technology over the next fifteen years for a number of economic reasons:

Projections of rapidly increasing energy demand in developing countries are faulty;

Food shortages will require some agricultural investment where the predominance of small farmers will necessitate light-capital or labor-intensive technology; nuclear power favors heavy capital and urban development.

Relative costs are now shifting rapidly back in favor of conventional over nuclear power plants. A very possible oil glut in the 1980's could depress the price of oil and thus shift relative costs even more in favor of conventional power.

Developing countries lack and will continue to lack the trained manpower and supporting facilities to operate and service nuclear facilities.

Although the Energy Research and Development Administration has had the Barber Report for nine months, ERDA Administrator Seamans had not heard about the Barber report at all when I questioned him about it last week (on Wednesday, Nov. 12). His staff expert admitted to having only heard about the Report through the newspapers. It should be emphasized, however, that even if there is not a huge nuclear market for peacetime industrial purposes, there still exists a dangerous potential for nuclear weaponry, as a by-product. The Barber Report notes that "the desire to obtain plutonium for national security purposes is related to prestige and may serve in some countries as sufficient reason to select nuclear power units over conventional competitors." (p. xiii). Thus, countries may purchase at least one large power reactor to have a source of plutonium. A 1000 megawatt reactor, the standard size, produces about 500 lbs. of plutonium a year.

3. The third basic argument of the opponents of limitations on nuclear exports is that the United States cannot force other nuclear suppliers like France and West Germany to cooperate. Other countries have nuclear technology and are independent of us. The nuclear genie is out of the bottle and can't be put back in.

It is true that other countries have nuclear knowhow and can build, even export, nuclear reactors themselves. But all the world outside the Communist Bloc depends on the United States for the nuclear fuel to

run its power reactors. Germany and France, the two countries that are now spreading all over the world the nuclear enrichment and reprocessing facilities that can produce nuclear weapons, depend on the U.S. for 86% and 62% of their nuclear fuel, respectively. If we were to cut off those nuclear fuel supplies, German and French power reactors would shut down in a matter of months, and those countries would lose a significant part of the electric power needed to run their nuclear industries.

However, we will, in a few years, lose this leverage over these countries. In the 1980's large nuclear fuel-making plants will begin full-scale operation in Europe. Therefore, one might ask, "Why bother now trying to make the French and the Germans do what we want if they will be out of our control in a few years." Because, where there is life, there is hope. With our remaining leverage, we can at least get started on some kind of an arrangement that might gather momentum in the future. If we do not use now the leverage we still have, we shall greatly reduce the hope of ever getting any agreement among nuclear suppliers to stop nuclear proliferation. Therefore, it is essential that we move now to press France and West Germany, under threat of the shut-down of their nuclear reactors and at a time of still great oil shortage, to refrain from selling nuclear weapon facilities to other countries.

To make any such effort work, we must also obtain the cooperation of the Soviet Union, which has some nuclear fuel-making capacity. Our control over the grain supplies that the Soviet Union needs should be helpful leverage to obtain Soviet cooperation. Actually, the Soviets have been more conservative than we in exporting nuclear technology. For example, only after Libya ratified the Nonproliferation Treaty did the U.S.S.R. agree to supply Libya with a small research reactor.

Since the Administration shows little awareness of the seriousness of the threat and little inclination to use the United States' enormous, but short-lived, power to stop nuclear proliferation, it is the Congress that must force the Administration to act, and to act now.

CONGRESSIONAL ACTION AND THE NEED FOR GRASSROOTS PRESSURE

What are some of the specific actions that Congress can take?

Congress can require the Administration to close loopholes in U.S. nuclear agreements with other countries, loopholes that allow use of our reactors to make nuclear weapons by the device of "laundering" plutonium produced from non-U.S. fuel.

Congress can suspend nuclear exports, especially nuclear fuel, to suppliers like France and West Germany unless they adopt responsible nuclear sales policies—mainly no exports of nuclear fuel facilities which make nuclear weapons material and no nuclear exports to countries which do not accept safeguards on all their nuclear facilities.

Congress can condition grain sales to the Soviet Union on Soviet cooperation (which could well come willingly) in pressuring other nuclear suppliers to adopt sensible rules in nuclear sales.

Congress can direct the President to use all our diplomatic leverage to strengthen international nuclear safeguards and to bolster the International Atomic Energy Agency's ability to enforce safeguards—through adequate funding of the Agency's regulatory functions, more and better inspectors, better equipment, and authority to require physical security standards for all nuclear facilities.

To act effectively, Congress should update basic laws and committee jurisdiction over nuclear exports. The Joint Committee has probably outlived its usefulness if it ever had any, because it suppresses competition in

information and ideas between the two Houses of Congress in an area where such competition is vital in eliciting Congressional leadership.

The Joint Committee's opposition is a major reason why amendments to limit nuclear exports and to combat nuclear proliferation usually fail. The Joint Atomic Energy Committee, members of which are considered to be nuclear experts, universally condemn such amendments with the arguments recounted above. Most importantly, there has been up to now little grassroots pressure on Congressmen to take action against nuclear proliferation. People have not realized how the continued spread of nuclear weapons can directly threaten, in a short time, their own lives and the existence of the world.

The need for strong and continuing pressure on Congressmen and Senators from their constituents is where concerned citizen activists such as you come in.

Individually-worded letters must begin flowing in to Congressmen demanding action to stop nuclear proliferation. Congressmen and Senators should be visited and pressed to stop nuclear proliferation. This lobbying must be done by constituents of the individual Congressmen, not by Washington-based lobbyists, who should rather coordinate the effort. When important amendments are imminent, word must get to the people and letters and visits must be keyed to those issues.

In other words, a grassroots constituency must develop to combat nuclear proliferation through limiting U.S. nuclear exports. Without that broad constituency, neither I nor other Congressmen are likely to succeed, except in rare instances such as July 31, 1974, when my amendment to require Congressional approval of nuclear agreements won by 3 votes. A number of transient factors made that short-lived victory possible: The issue was fairly clear and involved Congressional prerogatives at a time when Congress was strongly re-asserting its power; Nixon was President but on his last legs; the memory of the Indian nuclear explosion was still fresh; and many were worried over the proposal to send nuclear reactors to the Middle East less than a year after the Yom Kippur War.

However, as noted before, the Conference Committee, or the Joint Atomic Energy Committee, struck out my amendment in favor of the weaker, original bill, and a move to re-insert my provision was defeated, two months after the original vote.

To defeat any Committee on the Floor of the House requires a large constituency, for the general rule is, "When in doubt, go with the Committee." You and many others like you must get to work. I know you realize that the risks of not stopping nuclear proliferation are enormous. The survival of the planet depends on it.

ABOLISHMENT OF JOINT COMMITTEE ON DEFENSE PRODUCTION

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. COUGHLIN. Mr. Speaker, last Friday this House took one small step toward sanity by abolishing the long dormant Joint Committee on Defense Production effective June 30, 1976. In my memory this is the first time we have ever abolished any one of our institutions.

Subsequently, the vice chairman of

that committee, the senior Senator from Wisconsin, who has an obvious interest in the committee, stated to the press that the move was motivated to halt investigation of defense contractors. Before questioning the motives of others, the gentleman might examine his own.

The senior Senator from Wisconsin knows full well that the Joint Committee on Defense Production has been moribund for years. The senior Senator from Wisconsin and the chairman know full well that the legislative appropriations subcommittee back last March raised serious questions about the continuation of the committee and what, if anything, it did. In fact, many Members have not even known that it existed.

Since then the committee has apparently been scurrying about to find something, anything, to justify its existence. But not until October 14 this year were there proud press releases that the committee would probe defense contractors, which should properly be done by other committees.

It is distressing that the very people who are critical of congressional and Government fat and overspending, talk out of the other side of their mouth when someone tries to do something about it.

The senior Senator from Wisconsin has been busily giving out "golden fleece" awards for programs he considers outrageous. Perhaps he can now be the recipient of one of his own awards.

ONE MORE LOOK AT NEW YORK'S CRISIS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. ANDERSON of California. Mr. Speaker, I hope that opinions on what plan of action should be taken by Congress regarding the New York City crisis have not solidified to the degree that one more perspective will be overlooked. The question of assistance—at what point, to what extent, if at all—continues to be a polarizing one.

In a November 9 article in the Washington Post, staff writer Jack Egan examined the consequences of default, and concluded that "whether a New York City default will produce serious financial side-effects depends in large measure on its impact on the banking system and in particular, on the pivotal New York City banks."

Mr. Speaker, Mr. Egan makes some comments that get to the point of this issue, and I would like to include this article in the RECORD:

NEW YORK BANKS NOT JEOPARDIZED

(By Jack Egan)

NEW YORK.—Whether a New York City default will produce serious financial side-effects depends in large measure on its impact on the banking system and, in particular, on the pivotal New York City banks.

The six largest New York banks—First National City, Chase Manhattan, Manufacturers Hanover, Morgan Guaranty, Chemical and Bankers Trust—together hold an esti-

mated \$1 billion in city notes and bonds and another \$800 million in Municipal Assistance Corp. (MAC) bonds.

These banks also happen to be among the largest in the world, aggregating \$193 billion in banking assets as of last Sept. 30. About \$250 billion in transactions goes through these banks weekly. They serve as correspondent for thousands of domestic and international banks. And they are major participants in the foreign exchange and the Eurodollar markets.

Even under the "worst case" scenarios that some have sketched, nobody claims the solvency of these banks will be put in jeopardy by a New York City default. They are simply too large and too important to the national and international financial system.

And the Federal Reserve Board has stated emphatically that it will supply virtually unlimited funds through its discount window to any bank which runs into liquidity problems as a result of a New York City bankruptcy.

But bank analysts believe that a city default could create some definite problems for these banks, with the effect varying from institution to institution depending on their exposure and their earning power.

Depending on the degree of write-down eventually required on any defaulted securities they hold, a city bankruptcy could put a serious dent into the earnings of some banks at a time when they are already experiencing the largest volume of loan losses since the 1930s.

"The major concern," claims one bank analyst "is the fact banks have other exposures in addition to New York City. When you see all of these things coming up at once—W. T. Grant, the REITs (Real Estate Investment Trusts), etc.—it could be very damaging to bank earnings and bank capital accounts."

Chemical, Bankers Trust and Chase Manhattan could all conceivably show actual losses for one or more quarters as a result of a default, analysts say. The other three banks would probably stay in the black but find their potential earnings reduced.

The difficulties could be worsened considerably if the city default triggers a default by New York State, its agencies, or another big state like Massachusetts, as some have predicted. This would raise the crisis one order of magnitude.

One immediate result is that the big New York City banks are paying a premium to obtain funds when they sell large-size certificates of deposit (C.D.'s). In the last few weeks, as default seemed more imminent, rates in C.D.'s have been increasing although general money market rates have declined.

In the week ended last Wednesday, 90-day bank C.D.'s traded in the secondary market at a 6.45 per cent average interest rate, up from 6.16 per cent the week before. Conversely, 90-day commercial paper issued by corporations to raise funds dropped to 5.88 per cent from 5.93 per cent in the previous week.

Additionally, the New York City banks, which usually pay a lower C.D. rate than the major banks outside New York, have found that the differential first disappeared and now has been reversed as investors seem to prefer the regional banks in what is being termed a "flight to safety."

One mitigating factor, however, is that the New York City banks have been aggressively increasing their C.D.'s in the face of weak loan demand to insure that they are liquid in the event of a default. This has tended to increase interest rates.

"It isn't like the banks aren't prepared for this situation because they are," says Mark Biderman, bank stocks analyst at Oppenheimer & Co.

As to the foreign perception of the impact of a city default, a survey of 18 foreign

bankers attending an American Bankers Association conference in New York City last week revealed that 68 per cent feared a major negative impact in international financial markets whereas only 19 per cent saw minimal impact.

The foreign view is considered extremely important because of concern that a city default might be misunderstood abroad, leading to large-scale withdrawals from the European branches of the New York City banks where billions of dollars are on deposit.

A major uncertainty now as to any impact default will have on bank earnings involves what kind of write-offs accounts will decide have to be taken.

Under current rules, a bank may keep securities in its investment account at the original purchase price or "book value" even if the market price has subsequently declined.

But a defaulted security is supposed to be written down in asset value. The degree of the markdown depends on how much the security has been impaired, reflecting any loss or reduction in interest or principal and reflecting the likelihood the issuer will eventually make good on that piece of debt through some kind of restructuring arrangement.

In this case, the Fed and other bank regulators have agreed to give banks up to six months to take any markdown. This is done to cushion any sudden impact on banks' capital from a default and in the expectation that New York City will come up with a repayment plan which will minimize or even eliminate the need for any write-offs.

Fed Governor George Mitchell, in a meeting with bank analysts in Washington last week, told them no write-offs would probably be necessary, according to several individuals at the session.

But bank accountants and the Securities and Exchange Commission, which regulates reporting and disclosure by bank holding companies, have both indicated that they will require write-downs in the quarter during which the default occurred.

Should the default occur in December, as now seems quite possible, the write-downs would have to be reflected in financial statements for the fourth quarter and for all of 1975 which would normally come out by the middle of next January.

Perhaps the most comprehensive analysis has been done by Keefe, Bruyette & Woods, the research firm that specializes in bank stocks. In an August report, the firm concluded that even if a highly improbable 100 per cent loss scenario where a bank's city and MAC paper were marked to zero, none of the six banks "would be hopelessly impaired."

However, Chemical would experience a 14 per cent drop in its capital position in 1975, according to this scenario, as the bank with the largest exposure, followed by Bankers Trust with a 7 per cent decrease.

RAILROADERS HONOR BUD SHUSTER

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. SYMMS. Mr. Speaker, BUD SHUSTER, our colleague from Pennsylvania, has worked tirelessly in behalf of the railroaders in his district and I was pleased to read that he has been honored by them for his efforts.

The following is an article from the Altoona Mirror which covered the surprise testimonial dinner in his honor. It is gratifying to know that the working men and women of his district recognize the outstanding job BUD SHUSTER is doing for them.

The article follows:

RAILROADERS HONOR CONGRESSMAN SHUSTER

About 550 railroad workers and officials of the Penn Central Transportation Company surprised Cong. Bud Shuster Saturday night with a testimonial dinner.

The event, held at the Sheraton Motor Inn, honored the congressman, the railroaders said, for his efforts in having the Altoona shops designated the repair facility of the new ConRail system, leading the fight against rail line abandonments in the area, and his efforts in behalf of the railroad retirement legislation.

Joseph Fadale, manager of the Altoona shops, said Mr. Shuster was a "dedicated and tireless benefactor" of the Altoona shops. "Bud's efforts were in no small way responsible for the USRA's \$56 million for the Altoona shops," he said.

George Datres, of the International Association of Machinists, lauded Mr. Shuster for his efforts in the restructuring of the Railroad Retirement Act. He also told the congressman, "You don't always vote according to the way we think, but you're coming along."

"THANKS A MILLION"

H. L. Pressler, superintendent of the locomotive shops, said Cong. Shuster was instrumental in enabling the railroad to recall furloughed employees earlier this year. "Thanks a million, Bud," he said.

B. E. Porta, local president of the Transport Workers Union, also hailed Mr. Shuster's efforts in the Altoona shops' designation in the ConRail plan. He said the testimonial dinner was a "labor of love from the whole bunch of us."

The congressman was also praised by union leaders Gil Ciambotti and Anthony Ruscio. John K. Cowman, foreman at Samuel Rea shops and chairman for the dinner, presented Mr. Shuster with a model of a locomotive and a gold pocket watch, inscribed "Thanks Bud from your railroad shop friends."

In response, Mr. Shuster said, "I can't tell you how much I appreciate this. This is the most astonishing and wonderful evening of my life. I should be saying thank-you to you."

FATHER WAS A RAILROADER

"I can't think of any other effort that I find my heart completely in," Mr. Shuster said, telling the audience his father was a railroad worker and his mother lived for a number of years on a railroad pension.

Mr. Shuster said it was with a "complete sense of purpose and dedication that I threw myself into this fight," referring to the ConRail plan.

He said he is asked in other parts of his 10-county district why he spends so much time on the railroad. He said he tells constituents that the railroad is not only important to Altoona and Blair County, but it is important to America. "If we don't revitalize it, we won't have a vital railroad system for America," he said.

Mr. Shuster praised the railroad workers as "people who still believe in the value of the work ethic."

"If I live to be 100 I shall never forget tonight," he said.

REASONS FOR HONOR

The railroaders listed the reasons for the testimonial:

Cong. Shuster leading the fight for the Railroad Retirement Act of 1974 and rallying his colleagues in the override of the presidential veto of that bill.

Working for the passage of legislation for emergency funding for the railroad until the inauguration of ConRail.

Co-sponsoring legislation to relay all rail abandonments until 1977, to allow time for their possible inclusion in ConRail.

Testifying in the Washington ICC rail abandonment hearing and bringing the hearings to Altoona.

Cutting through red tape to aid numerous railroaders and widows with pension and disability benefits.

Fighting for inclusion of Central Pennsylvania rail lines in ConRail.

Helping negotiate the end of the Altoona shops furlough.

Working to have the shops designated as the prime repair facility for ConRail.

Helping secure \$56 million for the shops.

Helping negotiate the suspension of state penalties against the Altoona shops and secure federal funding for environmental improvements.

Putting the spotlight on the Altoona shops by bringing to Altoona Secretary of Transportation Claude Brinegar and the chief executive officer of ConRail, Edward Jordan.

POSTAL COLLECTION NECESSARY

HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. LITTON. Mr. Speaker, I have long been concerned with the inefficiency of our present Postal Service. The Congress recently expressed their concern toward USPS financial mismanagement by twice supporting the Alexander amendment to H.R. 8603, the Postal Reorganization Act Amendments. My constituents have expressed their concern with increased postal rates and subsidy requests while their service has consistently deteriorated. Today, I am introducing legislation which requires a concrete increase in postal public service by requiring city door delivery mailmen to provide pickup service for residences which have indicated they have mail they want picked up.

This bill simply requires mailmen in those areas to pick up mail if the resident has indicated with a flag signal that they have mail they need collected. Present Postal Service regulations do not require these mailmen to pick up mail at residences unless they have mail to deliver to that residence. Consequently, if I want to pay my gas bill, I have to hope someone writes me within the next few days so the mailman will pick up my outgoing mail so that my payment will reach the gas company on time. This situation is more critical for those who are unable to take their mail to their post office or community drop box because of age, disability, or lack of transportation. Oftentimes the mail is their only contact with the outside world.

This bill relies on the premise that the Congress should determine what constitutes proper postal public service. If our appropriation to the USPS is contingent upon real increases in service, I believe congressional subsidies will be

much more palatable to both our constituents and the Congress. In requesting a \$1.5 billion subsidy for the Postal Service the Post Office and Civil Service Committee only requested an increase in service which concerned providing new residential areas with door-to-door service of curblin or clusterbox service. They assumed in their report, No. 94-391, that door service was superior to curblin or clusterbox service.

It is my opinion, however, that presently there exists an ironic inequity in our Postal Service. Curblin or clusterbox service is actually more efficient than door-to-door service, with respect to mail collection, because curblin and clusterbox mail is collected if the flag on those mailboxes is raised. In contrast, as I have previously stated, mail is not collected in door service areas if the mailman has none to leave. This bill simply elevates door service to its rightful level above curblin and clusterbox service.

A mailman, in postal jargon, is called a postal carrier. My amendment emphasizes that a postal carrier is not just a mail deliverer but is also, as the duality of the term implies, a receiver of the mail. To date, city area door carriers are not performing their receiver function.

I must finally address the projected cost of this legislation to the Postal Service. The Postal Service estimates that 70 percent of residences in these areas receive delivery each day leaving a balance of 30 percent which do not receive collection under present regulations. One of my colleagues in remarks on the House floor asserted that this legislation, when I offered it in the form of an amendment to H.R. 8603, would increase the workload of the Postal Service 30 percent. There are two reasons why this legislation will not increase either the workload or the cost anywhere near that projection.

First, this bill will just require one type of mail carrier to provide additional service. If every door delivery carrier had to provide those 30 percent who do not receive collection, with collection, the total workload of the entire Postal Service would not increase 30 percent. Second, the percent of residences that would need this added service would probably only increase 10 to 15 percent. Since door delivery mailmen walk past these residences—some walk through their yards—it should not require but a minimum increase in workload for them to collect this extra mail.

I believe that the language of my bill adequately reflects the dissatisfaction of both the citizens of this country and the Congress with the failure of the Postal Service to promulgate efficient public service regulations and practices. Congress is oftentimes criticized for enacting legislation which places too many restrictions on the public and of being insensitive to their daily needs. If my bill is passed, the citizens of the United States will recognize that we are empathetic toward their problems. This amendment services this Nation's citizens in a very practical way on a daily basis. We are providing for them a very real

and tangible public service. Let us provide, Mr. Speaker, that service with a bill that humanistically applies to each and every citizen of the United States.

SURPLUS VEGETABLES FOR SENIOR CITIZENS

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. BELL. Mr. Speaker, the Monterey County Community Services Department in California has recently instituted a very commendable program whereby fresh vegetables are distributed on a regular basis to senior citizens.

The program depends on a cooperative effort undertaken by the county and vegetable growers in the area who make available the vegetables they do not send to market.

I would like to call to the attention of my colleagues an article describing this program which appeared in a recent issue of the Council of California Growers Agricultural News Service Bulletin.

The text of the article follows:

SENIOR CITIZENS GET SURPLUS VEGETABLES

Monterey County senior citizens are getting a regular supply of fresh vegetables and growers are seeing their surplus crops being used to the best possible advantage in a unique food distribution program.

"Because of the cooperation of vegetable growers in the Salinas Valley, we are able to supply a weekly selection of produce to seniors during our eight-month growing season," said Richard Bennett, executive director of the Monterey County Community Services Department.

"The growers make available the vegetables they do not send to market," Bennett explained. "That doesn't mean they are really culls—I don't like that word. The carrots may be a little small, or the lettuce heads too large. But the quality is good and the food is wholesome."

PROGRAM EXPANDING

The program began with a weekly distribution of 200 bags of vegetables. It has expanded now to approximately 2,500 bags.

Eligible senior citizens can get their vegetables at various county locations. In some cases the bags are delivered to shut-ins, Bennett said. Practically everything is done by volunteers.

"This program has attracted attention up and down the state," said Bennett. "In fact, a similar effort is beginning in Santa Cruz County, and we have a vegetable exchange program with Fresno and Merced Counties."

FOOD EXCHANGED

Bennett explained that under the exchange program, Monterey County can supplement its produce supply by obtaining items from other counties in exchange for goods they have in oversupply.

Bennett said the program primarily benefits persons over the age of 60 with limited incomes. "Our distribution is handled through a non-profit corporation called Experience, Inc., which also operates a senior crafts store."

John Grissim, the Community Services Department's senior director and a senior himself at 65, and Bennett share credit for getting the program started.

"We called on the Salinas Grower-Shipper

Vegetable Association and with their help were able to talk with growers. The growers have been extremely cooperative—we couldn't ask for more," Bennett said.

CYRUS S. EATON INTERVIEWED BY
THE NEW YORKER MAGAZINE

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. STOKES. Mr. Speaker, one of Cleveland's most distinguished citizens, Mr. Cyrus S. Eaton, has recently been interviewed by the influential New Yorker magazine. This article reviews various highlights of his career and also gives us a peek at his current lifestyle.

I am sure that my colleagues will find this article both stimulating and interesting:

[From the New Yorker magazine,
November 1975]

THE TALK OF THE TOWN

"I'm perhaps the only living man who was personally and profoundly affected by the Depression of 1893, not to mention those of 1907 and 1929, and I don't want to spend my last years being affected by another big one, brought on by the default of New York City," Mr. Eaton, who will observe his ninety-second birthday next month, told us when we called on him the other morning on his farm outside Cleveland, where the man who practically invented détente has on display, along with other mementos of an extraordinary life, a Lenin Peace Prize. "In 1893, I was living at Pugwash, Nova Scotia, my birthplace, and my father, who was doing quite well in farming and lumbering and general merchandise, was about to move down to the States and join his brother Cyrus, for whom I was named, in the tin-plate business. Then the panic hit. Suddenly the American dollar was worth only fifty cents in Nova Scotia. My prudent father decided not to take a chance on a country in that kind of shape. We had a special interest in that depression up there because, as you doubtless recall, one of Grover Cleveland's ancestors had some Nova Scotia in his background. Poor Cleveland! That depression lasted all through his second Administration, and it was one of those economic catastrophes that are due less to any basic weakness in the nation than to the stupidity of statesmen. I was only ten years old at the time, but I had been interested in my father's business for quite a while. I had begun taking on responsibilities when I was four, and used to get on a horse in wintertime and drive the cattle down from the barn to the brook. At five, I milked my first cow, though I must confess she was so good-natured my father said any idiot could manage her. At six, I got a job fetching water from a spring for some men who were laying railroad tracks nearby. I was paid fifty cents for a ten-hour day. My father was also the local postmaster, so next I began sorting the mail. Even before that, I had been looking at the Boston and Providence papers that came in to our Pugwash subscribers. As soon as I learned to read, I began reading American newspapers—a very bad habit, which I still have. I recently found myself more attracted, however, to Leibnitz, and Plutarch's 'Life of Lycurgus.'"

Mr. Eaton turned back to the plight of New York. "You're suffering because of the whole national economy," he said. "Here's the

greatest city we have, on the verge of collapse, and yet we've been spending countless billions trying to impose our system of life on remote countries like Cambodia. Mrs. Eaton and I have been to Cambodia. It used to be one of the most beautiful countries on earth. If New York goes, people all over the world will panic. I've been working quietly on your problem with some senators and congressmen, and I've exchanged some ideas with Nelson Rockefeller, whom I've known since he was two. An able young man, Nelson, with no temptation to do anything dishonest financially. His paternal grandfather took care of that. I knew both his grandfathers well. When I first came to the United States, at the turn of the century, it was the summer I'd finished prep school. I was visiting my father's younger brother, who was pastor of Mr. John Rockefeller's church in Cleveland. That's John D., Senior, of course. When I checked in at my hotel, I saw a big sign saying that a night clerk was wanted, and I applied and was hired. Then my uncle took me over to the Rockefeller's for dinner, and when Mrs. Rockefeller asked what I was doing and I said I had just landed a fine summer job as a night clerk, she said, 'Oh, that's no job for someone like you! John, can't you do something for this young man?' He more or less had to offer me a job. I didn't know if the hotel could survive without me, so I demurred until I could ask the manager, and when I did, he said, 'You take it. If it were offered to me, I'd take it.'"

Mr. Eaton, a trim nonagenarian with snow-white hair and a ruddy complexion, was rather formally dressed in a dark-blue double-breasted suit, white shirt, gray tie, and highly polished black shoes. He said he had to fly to Baltimore that afternoon for a railroad meeting (he is chairman emeritus of the Chesapeake & Ohio Railway), but expected to be back home for dinner. "I'm a competitor of the Penn Central, but I'm bound to say its bankruptcy was the greatest economic disaster in recent years," he told us. "The Penn Central was a marvellous property, and it could have survived if the cost of borrowing money hadn't been driven up so high because the government was spending it all over the world, on armaments, like a drunken sailor. If New York suffers the same fate as the Penn Central, you may never recover from it. Until lately, I went to my office, downtown, every day from eight to five, but now I generally come home at two, so I can walk around the farm. I'm mainly a farmer and a philosopher at present. You might say that I'm not technically qualified to use that 'philosopher,' but I do spend a great deal of time thinking about big problems. In any event, I'm in good health—though when you get to be my age your hearing's apt to be not so keen—and my doctors told me, when I last checked in with them, 'We can't see any end to you under a hundred.' The reason may be that for nearly fifty years I've been strictly adhering to a set of rules that the doctor who prescribed them said he wouldn't dream of observing himself: no tobacco, no alcohol, no tea, no coffee, and none of those indigestibles, like corned-beef hash. No corned-beef hash! It used to be my favorite. I played tennis up to a few years ago, but I quit it about the same time I quit skiing, having been persuaded to do so when the doctors said, 'At your age, if you break a leg we can't repair it for you.'"

Mr. Eaton paused for a sip of orange juice. "By the way, I have family ties to New York City," he went on. "My Eaton ancestors were all New Englanders who went to Canada before the Revolution. My mother, though, was a MacPherson, and her forebears were New York businessmen, who remained loyal to England and, after the surrender at Yorktown, were treated very roughly. Everything they owned was confiscated,

and they were expelled to Nova Scotia. It was a little scar on American history. They were given a thousand acres at Pugwash in forced exchange for a substantial piece of property at the corner of Broadway and Wall Street. You know, this is a vast country, with enormous resources. But these panic spells, which are to so large an extent emotional, can be terribly destructive. If the greatest city in the world collapsed, it would be an awful blow to the capitalistic system. There's no perfect system anywhere, but generally I'm in favor of capitalism. As a philosopher, moreover, I try to look at the pros and cons of questions, and I've come to believe in compromise and moderation, which wouldn't be a very good philosophy, of course, on which to run for political office. Well, I'm not a candidate for anything, but I have an interest in America, and anybody who feels that way ought to be concerned about the financial soundness of a city as big as New York. With so many cultures and nationalities represented among your eight million people, New York is a tremendous experiment in modern society, and the rest of the country has got to take it seriously."

FOOD STAMPS

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. MICHEL. Mr. Speaker, when an issue comes to the fore as dramatically as food stamp reform has in recent months, many people wonder how it was that it all happened at this precise point in history. Recently, U.S. News & World Report carried an excellent summary of the issues and problem areas that led to the current drive for reform. In addition, it describes concisely a number of the recommendations which we have made, and explains why so many of us are concerned. I insert this article to be printed here in the RECORD.

WHY THE DRIVE TO LIMIT FOOD STAMPS

The Nation's problem-ridden food-stamp program, under fire as being completely out of hand, now faces the first serious attempt at a cutback.

Criticism of the program has grown even faster than its cost—up from 1.6 billion dollars in 1971 to about 6 billion this year. The latest complaints—

An official survey, released last month, indicated that 17.3 per cent of all families getting food stamps were ineligible to receive them.

Another 26 per cent, the survey found, were either issued too many or charged too little, because of cheating or administrative bungling.

Many families that earn more than \$12,000 now are drawing stamps, legally. So are families with new cars, hidden incomes, shifted assets, gourmet tastes.

There are many cases of stamps being used legally by students and strikers. Stamps also are said to be used frequently to buy liquor, to gamble, even in payment for prostitution. In some areas, such as Puerto Rico, they often substitute for money.

INTERNAL ABUSES

In Pennsylvania, a study shows about half of the abuses lie with the system—35 per cent attributed to errors made at the county level, 8 per cent at the State level. False statements by the recipients accounted for 23

per cent; their failure to report all of the facts, 34 per cent.

So huge has the demand for food stamps become that the coupons are being printed by two bank-note companies, as well as the Treasury Department's Bureau of Engraving and Printing.

Now the Administration is proposing a basic change in the burgeoning program—one that would place a ceiling just above the poverty level for recipients of the stamps and would require all users to pay 30 per cent of their net incomes for the stamps.

Its effect, as officials figure it:

Some 17 percent of families now participating in the program would be dropped; 28 percent would have their benefits reduced, by paying more each month; 31 percent would pay about the same; 24 percent—those at the lowest income levels—would pay a little less.

DRASTIC CUTBACK

The net result, Administration planners say, would be to dump 3.4 million of the 18.8 million people now in the program, and to cut its cost by 1.2 billion dollars.

This plan was sent to Congress on October 20. Also in the proposed bill:

Families drawing welfare checks would no longer be automatically eligible to draw food stamps.

As a test of eligibility, family incomes would be calculated on the basis of actual incomes during the previous 90 days, including welfare, rather than an estimate of future income. This would keep newly unemployed or striking workers off the food-stamp rolls for at least a month or two, according to Agriculture Secretary Earl Butz.

To encourage unemployed users of stamps to find jobs, the plan would require all "able-bodied recipients to seek, accept and retain gainful employment," with monthly check-ups.

College students would not be eligible for food stamps unless their families also are eligible.

In computing a family's net income—30 percent of which must be spent for the stamps—most families would get a flat \$100 monthly deduction instead of the present complicated formula involving rent, child care and taxes. A family with a member over 60 would get a larger deduction, of \$125. Thus a family of four—the largest present group of users—could earn no more than \$6,550 to still be eligible.

The proposal also would require photo-identification cards for householders to use in drawing their monthly stamp quotas, plus a system for countersigning food coupons at food stores.

LONG STUDY

Fast action apparently is not likely in Congress. The House Agriculture Committee intends to take its time completing a study of the whole food-stamp program, now under way.

Planned are more Senate hearings in November, with no final action seen before next spring.

Meanwhile, efforts are under way in the Department of Agriculture to tighten up operation of the program. One expected result: a cutback in the estimated cost of the vast stamp plan for the year ending next July from 6.6 billion dollars to 5.8 billion, with 20.2 million participants by that date.

Involved are monthly audits of the program in every State, millions of dollars in fines levied thus far against six States plus the District of Columbia for "gross negligence" in running their programs, and court suits against about 35,000 individuals for cheating.

But these efforts all are directed against the fraud and bungling involved in the widespread program. What the Administration now hopes to do is to cut back substantially on its size.

THE ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS ON THE NEW YORK CITY FISCAL CRISIS

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. BROWN of Ohio. Mr. Speaker, having just returned from a 2-day session of the Advisory Commission on Intergovernmental Relations, on which I am privileged to serve as one of three representatives of this body, by your appointment, I would like to share with my colleagues some of the commission's insights into a problem which deeply concerns all of us at this time: the New York City fiscal crisis. The Commission, made up of representatives of all levels of government as well as private citizens, has taken a position on the matter which should give us pause before we rush headlong into an ill-considered scheme to inject the Federal Government into the picture.

The Commission adopted the following resolution:

The Commission recognizes that the officials, employees, and citizens of New York City and New York State have the initial responsibility for alleviating the fiscal crisis of New York City. The Commission also recognizes, however, that the Federal Government, as required, should act in support of New York State and City efforts to assure that New York City's fiscal crisis does not have a nationwide effect on the economy and on the borrowing activities of other State and local governments.

Mr. Speaker, this position was not seized upon hastily. On the contrary, the financial condition of our cities is a problem that has concerned ACIR long before our Nation's largest city discovered itself to be on the brink of disaster. ACIR several years ago undertook a study of the financial problems of cities which resulted in March of 1973 in the publication of a report entitled, "City Financial Emergencies: The Intergovernmental Dimensions." In fact, if this study had received more attention and had its advice been heeded, New York and other cities might not now be in the position they are in.

I would like to summarize the five recommendations of the 1973 report:

First. Each State should establish a State agency to improve local financial management functions and to detect problems early enough to prevent local financial crises. This recommendation was based on the Commission's conclusion that unsound financial management is one of the biggest causes of cities' financial emergencies.

Second. States should enact legislation to regulate the use of short-term operating debt that extends beyond the end of the year. This was designed by the Commission to prevent the accumulation of short-term operating debts over a period of years, which can contribute to a financial emergency.

Third. States should consolidate local retirement systems into a State-administered system, or at least strictly regu-

late their operations, requiring substantial funding. This was due to a Commission conclusion that underfunded retirement systems posed an emerging threat to the financial health of local governments.

Fourth. Each State should establish guidelines for State intervention when local governments experience financial emergencies. This recommendation came from a Commission conclusion that States are the logical providers of assistance to local governments because the States provide the basic constitutional and statutory authority for local government operation.

Fifth. Federal action in the case of local financial emergencies should include situations in which interstate considerations require use of Federal bankruptcy laws. A further recommendation was that Federal bankruptcy provisions relating to local governments be adopted and clarified in three areas.

Mr. Speaker, I think the Commission's feelings that the States should have the predominant role in cities' financial problems is obvious in the above recommendations. ACIR concluded that the State should bear the full responsibility for supervision of municipal financial management and for providing assistance to local governments in financial emergencies. The Commission recommended that warning systems be worked out to indicate prompt corrective actions before problems deteriorated to the point that they now have in New York City.

Commenting on the 2½-year-old study at this week's session, the ACIR staff said:

The New York crisis, in our opinion, does not invalidate ACIR's conclusion reached two-and-one-half years ago. New York State, we believe, could have prevented the New York City emergency and rendered any necessary assistance if it had taken the legislative and supervisory actions we contemplated.

But the New York crisis should tell us that most States have not followed ACIR's recommendations to equip themselves to exercise the supervision that seems to be necessary.

The genius of our federal system has been the continual development of responsibilities at each level of government according to their ability to perform those responsibilities. Our National Government remains the most efficient and equitable raiser of revenues of any level of Government.

State and local governments, on the other hand, possess through their constitutional responsibilities and closer proximity to the people, the most flexible means by which to manage governments.

It is clear that in New York City, as elsewhere, political expediency has prevailed over prudent public policy. The future of our local governments has, does, and must always rest with the responsible State governments. Any legislative initiative by this Congress must take account of this need or it will most surely fail.

The full text of the report of the staff of the ACIR to the members of the Commission where it met in Chicago earlier this week is as follows:

THE NEW YORK CITY AND MUNICIPAL BOND MARKET CRISIS: INTERGOVERNMENTAL ASPECTS

Mr. Chairman and Members of the Commission:

The New York City financial crisis and municipal bond market repercussions have generated the most critical collection of intergovernmental relations problems and tensions we have seen in many years. A host of questions concerning the appropriate roles and actions of each level of government have arisen, and virtually every American government is likely to be affected sooner or later by the current crisis.

Chairman Merriam, therefore, has called on the ACIR staff to make a short report on this subject at this meeting. The purpose is to highlight the intergovernmental aspects of the problem and to identify in advance some of the intergovernmental needs that have been underscored or created by the crisis. The purpose is not to dwell on how New York City's financial problems will be solved or whether there should be Federal assistance of some type.

As you are well aware, ACIR beginning in 1972 undertook research that resulted in its report entitled "City Financial Emergencies: The Intergovernmental Dimensions." This report sets forth the five recommendations approved by the Commission on March 9, 1973. Having had this background experience, ACIR has followed the developments in New York City with keen interest.

Today I will quickly summarize ACIR's 1973 findings, including its financial emergency warning signals, and the Commission's recommendations. At somewhat greater length, I will then identify five areas of need that have been accentuated or created by the current crisis and other developments since ACIR's study.

ACIR'S FINDINGS AND RECOMMENDATIONS

The ACIR study of city financial emergencies, which evaluated 30 cities with serious financial problems, revealed that, in general, the fiscal problems facing cities need not cause a financial emergency in the technical sense, provided local financial management is reasonably good and provided there is no major national economic depression. Indeed the survey of 30 cities failed to locate any cities in which conditions were such that timely action by local, or in a few cases, State officials could not avert or promptly relieve a financial emergency.

THE WARNING SIGNS

The review of financial operations of the cities did reveal certain common characteristics for those on the brink of financial trouble. Most important among these characteristics were:

An operating fund revenue-expenditure imbalance in which current expenditures significantly exceeded current revenues in one fiscal period;

A consistent pattern of current expenditures exceeding current revenues by small amounts for several years;

An excess of current operating liabilities over current assets [a fund deficit];

Short-term operating loans outstanding at the conclusion of a fiscal year [or in some instances the borrowing of cash from restricted funds or an increase in unpaid bills in lieu of short-term operating loans];

A high and rising rate of property tax delinquency;

A sudden substantial decrease in assessed values for unexpected reasons.

Several other general conditions can cause financial problems. One is the existence of an under-funded locally administered retirement system. Secondly, poor budgeting, accounting, and reporting techniques may be indicators of impending financial problems. In some cases, inadequate financial

management techniques may actually cause trouble because of the uncertainties they create.

THE RECOMMENDATIONS

On the basis of its financial emergencies study the Commission adopted the following five recommendations, the first four addressed to the State and the fifth to the Federal government:

Recommendation No. 1. State Assistance, General Supervision and Prevention of Local Financial Emergencies.

"The Commission concludes that unsound financial management stands out as one of the most important potential causes of financial emergencies in local governments. The Commission recommends therefore that each State designate or establish a single State agency responsible for improvement of local financial management functions such as accounting, auditing and reporting. The Commission further recommends that the agency be responsible for early detection of financial problems in order to prevent local financial crises."

In the language expanding on this recommendation, the Commission stressed the need for an independent post-audit of each municipality.

Recommendation No. 2. Regulation of Short-term Operating Debt.

"The Commission concludes that the inability of local governments to repay short-term operating loans, especially those which have accumulated to a substantial amount over a period of several years, can be an important precipitating factor in causing financial emergencies. The Commission recommends therefore that the States enact legislation to regulate the use of short-term operating debt that carries beyond the end of the fiscal year. At a minimum, such laws should require that any short-term operating debt remaining unliquidated at the end of the fiscal year should be charged against general debt limits and provision for its retirement be automatically included in the next year's budget. The Commission further recommends that those States which presently have statutes regulating short-term operating debt take immediate action to enforce them strictly."

Recommendation No. 3. Locally Administered Retirement Systems—The State Role.

"The Commission concludes that underfunded, locally administered retirement systems pose an emerging threat to the financial health of local governments. The Commission recommends therefore that locally administered retirement systems be strictly regulated by the States, or alternatively, be consolidated into a single State-administered system. At a minimum, States should require substantial funding for all local systems based on a reliable computation of full funding requirements."

The supporting language called for attention to three factors that are causing rapid increases in pension costs: substantial pay increases, costly benefit increases, and more employees retiring early or on disability pensions.

Recommendation No. 4. State Action in Case of Financial Emergency.

"The Commission concludes that the States are the logical providers of assistance to local governments in financial emergencies because States provide the basic constitutional and statutory authority for the operation of local governments. In addition, the credit and financial reputation of the State and of all the other local governments are adversely affected by a credit failure of a local government within the State.

"Therefore, the Commission recommends that each State should establish by statute a set of guidelines to determine when the financial condition of local government necessitates State intervention and to set forth

the requisite procedures for carrying out remedial State action."

Our report also set forth four local fiscal conditions that would justifiably trigger State action, and recommended 13 actions the designated State agency should be authorized to take in such emergencies.

Recommendation No. 5. Federal Action in Case of Financial Emergency.

"The Commission recommends that Federal action in the case of local financial emergencies include situations in which interstate considerations require use of the Federal Bankruptcy Laws. The Commission recommends further that Federal bankruptcy provisions relating to local governments be adopted and clarified as follows:

"1. The definition of 'creditor' should be clarified in order to specify precisely what classes of creditors come within the scope of the statute.

"2. Involuntary filings by either the municipal unit, the creditors, or the appropriate State agency should be permitted under certain specified conditions where the parties have seriously tried to gain approval of appropriate parties for filing of a reasonable plan for more than six months. In such cases, the State should be considered to be a party of interest in the proceedings.

"3. The Court should require continuous supervision of a local government's compliance with the final court ruling, including a written annual progress report by the appropriate State supervisory agency or a court-appointed board if an appropriate State agency does not exist."

The Commission on the Bankruptcy Laws of the U.S. was then in the process of reviewing Chapter IX as part of its work in updating and revising all the Federal bankruptcy statutes. We urged the Bankruptcy Commission to include our recommended revisions in its proposals for amending Chapter IX.

ISSUES AND NEEDS ILLUMINATED BY NEW YORK CRISIS

As I will indicate in my subsequent remarks, the New York crisis, the current municipal bond market condition, and certain other recent developments have spotlighted five areas that need further attention.

FEDERAL ASSISTANCE CRITERIA AND CONDITIONS

ACIR's city financial emergencies report concluded not only that the State should bear the full responsibility for supervision of municipal financial management and for providing assistance to local governments in financial emergencies, but that they had the financial capacity to do so if they established effective warning systems and took prompt corrective actions. Our report did acknowledge that the States' financial capacities might be inadequate in the event of a major depression.

The New York crisis, in our opinion, does not invalidate ACIR's conclusion reached two and one-half years ago. New York State, we believe, could have prevented the New York City emergency and rendered any necessary assistance if it had taken the legislative and supervisory actions we contemplated. However, the New York crisis painfully reminds us that most States have not equipped themselves to exercise fully adequate supervision. New York has also demonstrated that an emergency in one State can adversely affect the nationwide market for municipal securities, and that other State and local governments, especially those dependent on the market for short-term operating cash, can be pushed to or over the brink in a market where there are no bids for their securities.

Given these newly recognized facts, it now appears highly desirable that further research be undertaken on the appropriate Federal assistance role in such circumstances.

Among the primary questions to be addressed are:

1. The standards or criteria for determining when Federal assistance is required and justified;
2. The form of such assistance;
3. The conditions attached;
4. The arrangements for supervising or enforcing such financial reorganizations and the role of the State concerned; and
5. Whether standby Federal assistance arrangements should be continuously available or each future emergency, if any, handled separately.

If the New York emergency results in Federal assistance, we will have one experience forged under pressure to deal with that one specific circumstance, but further research concerning the type of machinery that would optimally cover the 50 State situation still appears highly desirable.

FEDERAL BANKRUPTCY PROCEDURE FOR STATES

President Ford has now proposed that the Federal Bankruptcy Act be amended to add a chapter dealing with the adjustment of debts of major municipalities, and Congress is currently considering such legislation. The Administration proposal closely accords with ACIR's Recommendation No. 5 on this exact subject.

Despite their sovereign status and wide taxing and other latitude, the New York experience shows that it is within the realm of possibility that States or at least State instrumentalities could default under certain circumstances.

The question, therefore, arises as to whether the Federal Bankruptcy Act should be further amended to deal with the adjustment of debts of States and State instrumentalities.

REGISTRATION AND REGULATION OF MUNICIPAL BOND ISSUES

Early in 1975 when the Securities Act amendments regulating municipal bond dealers were enacted, the Tower Amendment stipulated that issuers would not be required to furnish directly or indirectly any application or documentation with respect to their issues. There, furthermore, were strong statements made by members of Congress and the Treasury that registration and regulation of municipal bond issuers was not intended or desirable.

Now, as a direct result of the New York crisis, Senator Eagleton has introduced a bill requiring cities and localities to register new bond issues with the Securities and Exchange Commission, and the Ford Administration reportedly is preparing its own legislation to require municipal issuers to supply information to investors! Secretary Simon stated to Congress that "... we believe the time has come for a Federally-imposed uniform system of financial accounting and reporting by state and local issuers which sell a substantial amount of securities in our capital markets." The Secretary, in part, attributes his change in position on this point to an exasperating, seven months of work by the Treasury that even then failed to corral full information on New York City's finances.

The Municipal Finance Officers Association, which opposes Federal regulation of State and local issuers, has developed full disclosure guidelines and other elements of a plan that presumably would rely on the States or a voluntary association of issuers for implementation.

In this rapidly moving field, the intergovernmental question, of course, is whether there should be any Federal regulatory role and, if so, how it can be circumscribed so as to not detract from or weaken State responsibility for supervising local government financial administration. A major concern is that action may be taken without ample

study of the intergovernmental aspects and without first giving the States and localities the opportunity to develop their own machinery so as to determine through experience whether Federal supplementation is necessary.

STATE-LOCAL PENSION SYSTEMS

The New York crisis has increased awareness across the country that a number of public pension systems provide inordinately expensive benefits, are underfunded, and have suffered from poor administration and abuses. The crisis has also underscored that the ultimate cost of certain benefits, particularly if inflation continues at high rates, will be monumental and in some cases beyond the financial capacity of the governments involved. These alarming facts, of course, do not apply to many well administered and adequately funded State and local systems.

Meanwhile, at the Federal level, the Congress passed the Employee Retirement Income Security Act of 1974, which regulates private sector pension systems, and hearings are now being held on the extension of this type of legislation to State and local public employee systems. The present hearings are not intended to result in legislation until after December 31, 1976, the deadline for completion of a House study on the subject.

Among the major features of the private sector Act that could be extended to the public sector are provisions establishing minimum participation, vesting, and funding standards; benefit and contribution limits; and reporting and registration requirements.

The New York situation and Congressional activity on pensions highlight several needs:

1. States should be moving expeditiously, if they have not already done so, to take actions envisioned by ACIR's Recommendation No. 3. Producing full and current information on the benefits and funding requirements of State and local systems, reviewing benefits, making certain that funding is adequate, and improving administration are essential steps. States which have local systems should also be considering whether centralized State systems are not the best in the long run.

2. So as to be fully ready and equipped to illuminate the cost effects of a Federal act regulating State and local employee pension systems, individual States should be evaluating the effects on their benefit patterns and costs if the Congress were to mandate changes similar to those now in effect for the private sector.

3. States should also be considering whether the private sector provisions passed by the Congress are meritorious for public employees. However, in doing so, the States should consider the whole benefit package and whether certain benefits for future employees should be reduced or modified when they improve other benefits. Most importantly, it should be recognized that only the States can custom tailor a new pattern and that there undoubtedly will be some benefit aberrations and substantial cost effects if an overlay of Federal requirements is placed on top of the widely varying State-local pension systems.

While present signs are that there will not be Federal action in this field until at least 1977, this does not mean that States and their local governments have plenty of time in which to reevaluate their systems. The types of changes involved in many cases could easily take two to five years to accomplish.

ADEQUACY OF MUNICIPAL BOND MARKET

Since at least 1969, State and local governments have recognized that the market for their bonds at reasonable interest rates will be inadequate under certain circumstances. This is true because the tax exemption is

only attractive to certain types of purchasers, primarily commercial banks, fire and casualty insurance companies, and high tax bracket individuals.

The 1969 credit crunch dramatically demonstrated this fact when credit shortages resulted in the banks serving their corporate customers first and reducing their municipal bond purchases. Now, in 1975 we have a combination of circumstances adversely affecting the municipal bond market with the result that some issuers cannot borrow and others are paying disproportionately high interest rates. The New York crisis has raised questions about the municipal bond instrument and the meaning of "full faith and credit". The large Federal deficit is tending to crowd out borrowers other than the Federal government. Many banks and fire and casualty insurance companies have reduced their municipal bond purchases because their profits are down and it is not advantageous for them to hold as many exempt securities. Hence, interest rates have been pushed up by the need to enlarge the number of high tax bracket individual purchasers. It was recently pointed out that, while commercial banks in previous recessions made net purchases equal to 100 percent of new municipal offerings, their net purchases during the first half of 1975 only represented 12 percent.

In the aftermath of the 1969 credit crunch, many State and local interest groups considered the taxable subsidized bond alternative to tax exempt bonds, and a number of such organizations endorsed the proposal. Their proposals typically provide that the State or local issuer would have the option to issue tax exempt bonds or a bond that would be taxable and in which the Treasury would pay a large enough portion of the interest so that the issuer would break even or enjoy a small gain. Such taxable subsidized bonds would compete with all other types of taxable securities in the market and therefore would be of interest to a much broader range of purchasers than are exempt bonds. This proposal, in addition to widening the market for State and local securities, would improve the equity of the Federal personal income tax system, presumably at no cost, or even a gain, to the U.S. Treasury.

ACIR in 1970 rejected the taxable subsidized bond proposal. However, the New York and other developments in 1975 have shown that the market for State and local securities is increasingly vulnerable, and that consideration should once again be given to the taxable subsidized bond proposal, as well as other proposals for expanding the municipal market.

THE ULTIMATE NEED

The New York City crisis has also illuminated a question that is far larger and fundamental than the five financial administration and system needs I have already outlined. The question is, "What should be done to make our older central cities economically viable?" The central cities, of course, occupied center stage during the troubled 60's but have received less purposeful attention thus far in the 70's. The New York crisis is reminding us that their situation is probably as serious as it ever was and in some respects more so.

The elements of the central cities problem are too well known to require reciting. The problems, to be sure, are partially attributable to local failures, but State and Federal actions and omissions appear to account for the lion's share. Among the solutions are many of the structural and fiscal changes envisioned by scores of recommendations adopted by ACIR. However, it does appear that there is a need for a fresh and deep look at the older central cities'

situation if we are to avoid future crisis of the New York City variety.

THE TOLEDO WAY

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Ms. HOLTZMAN. Mr. Speaker, Representative ASHLEY, chairman of the Subcommittee on Economic Stabilization, has worked tirelessly to produce legislation to avert a New York City default, and spare the Nation the disastrous economic consequences that would result.

In an article which appeared in today's New York Times, Representative ASHLEY explains simply and clearly some of the reasons for preventing a default. I commend his views to the attention of my colleagues.

Representative ASHLEY's article follows:

THE TOLEDO WAY (By Thomas L. Ashley)

WASHINGTON.—I suppose that how a Midwesterner regards New York City's plight is largely a matter of perception and a reflection of his background.

When the banks closed in the early 1930's, my father lost his structural-steel business in its entirety because he owed one of the closed banks \$20,000. He had repaid more than \$500,000 but he defaulted on his final payment, so the bank foreclosed and took over the enterprise "for one dollar and other valuable considerations," none of which I've ever been able to identify.

My father then started a tiny fabricating shop and for nearly a decade ours was a typical middle-class Midwestern family, scrambling with considerable ingenuity to remain solvent. Accounts went unpaid, bill collectors were avoided, promises made and broken. The immediate day-in, day-out concern was to avoid bankruptcy because this was regarded as a permanent blot on one's respectability, financial and otherwise.

The only reason that my father and most other debtors escaped the humiliation of bankruptcy proceedings is that there were more creditors decent enough to wait, often at considerable risk, than those who wouldn't.

This is what allowed a great juggling game to work. It always struck me as ironic that the bad guys got paid first and the good guys last, but I've since come to learn that memories are long and that there's a system of rewards and penalties constantly at work, even long after the fact.

Then there's the matter of punishment. The Midwestern ethic here is that if you suffer your own sins, that's probably enough. My Toledo community, beset by labor violence during the 1930's, was effectively redlined for nearly a quarter of a century thereafter by corporate America.

But in the late 1950's, that same corporate America suddenly realized that only two other cities in the United States had better labor records than Toledo on the basis of man-hours lost by reason of strikes. We had made our mistakes, paid for them ourselves, learned the lesson and profited thereby.

There may be another thing that's a part of a Midwesterner's perception or understanding of New York City. Before World War II, Toledo was a community of separate, fighting, proud ethnic neighborhoods. Inter-

marriage was the exception, almost always an embarrassment. Today we're still proud of ourselves but we're proud of our collective self. It's not "we" and "them," it's "us," an "us" that now cuts across political, racial, marriage and every other line. So how can New York City be "them"?

In sum, many in the Midwest equate municipal bankruptcy with individual bankruptcy; both are to be avoided at all costs because in either instance it is the signal that there is no longer the ability or willingness to fight to recapture self-respect and the confidence of one's peers. But in our view the very worst that can befall either an individual or a community is to be forced unwillingly, while there is still the will and capability to recover, into the submission of bankruptcy.

The ultimate irony, in this view, is for our nation's largest and greatest city to suffer this forced denigration solely on the insistence and responsibility of a national leader who constantly asserts that the rightful role of states and municipalities has been undercut and eroded by a usurping Federal Establishment.

It may be well and good for New York City to become an object lesson for the rest of the country, Washington included. But if the health of the profligate is of any concern, surely a public flogging is inappropriate.

New York City, after all, is already in the most painful kind of receivership. Furthermore, Federal legislation, as a condition for pre-default assistance, would insist on even more onerous sacrifices to assure that past fiscal irresponsibility be corrected and a balanced budget restored. Is the pound of flesh really necessary?

It's not to the working people who drink beer at Jim and Lou's Bar on Lagrange Street in Toledo, every afternoon. They're smart enough to want New York City to have a chance to work its way back to solvency without benefit of their tax dollars and they simply do not believe this can best be accomplished by pushing the city into bankruptcy.

OSHA

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. ROUSSELOT. Mr. Speaker, last Monday this body took a much-needed step toward bringing under control the most notorious and unwieldy of all the regulatory agencies. I am referring, of course, to the passing of H.R. 8618 which provided for on-site consultation to employers to help them comply with the regulations and requirements imposed on them by the Occupational Safety and Health Administration—OSHA. These types of consultation services will aid greatly to ease the burden of private businessmen who try to decipher and comply with the nebulous edicts of the seemingly omnipotent Occupational Safety and Health Administration.

H.R. 8618 did not go far enough, however. Still left to cope with are many of the arcane and absurd rules and regulations. The power and breadth of OSHA was left untouched by the reform bill that was passed Monday. The ambiguities of language of many of the regulations are still there and the arbitrary power of the OSHA inspectors continues

unchecked. We must still deal with these problems.

There are many examples that can be given that shed light on the ongoing problems that OSHA poses for private industry:

One large company had to adjust thousands of fire extinguishers throughout its plants and buildings so that they would be exactly 5 feet from the floor as measured from their highest points. The job was extremely expensive, requiring much drilling through steel.

The manager of another firm provided more extinguishers than necessary and carefully hung them at the required height. He was fined anyway—for setting one extra extinguisher on the floor.

One company was required by terms of a defense contract to lock exit doors for security reasons. It was ruled that this practice violated firesafety requirements—and a fine was imposed by the Agency.

Employers are required to color code switches red and green even though they may already have their equipment color coded with different colors which their employees have been using for years and with which they are already familiar.

Farmers must install roll bars on their tractors. No provision is made for the many tractors on which a roll bar cannot be attached. In many instances the roll bars, which cost \$200 or more, cost more than the tractors are worth. And in the vast farming region of the Great Plains, farm tractors are never driven on anything but completely level ground and blacktop roads, thus obviating the need for any roll bars at all.

It has been noted that literally billions of dollars have been spent by private industry to achieve OSHA specifications for occupational safety and health—\$13 billion alone to meet noise level specifications. This investment is required by OSHA to "protect the worker while on the job." It is interesting to note, however, that studies have been made indicating that non-job-related diseases account for about 96 percent of the time lost due to disability. In other words, all of the billions of dollars spent to comply with the OSHA mandated job-safety requirements apply to only 4 percent of the disability caused absenteeism.

Mr. Speaker, I would suggest that these billions of dollars that are now being spent on unnecessary and silly OSHA regulations and rules can be better spent by private industry in other areas. Instead of repainting switches that do not need repainting, I would think that industry could use the money to make much needed capital improvements in areas that create jobs and bolster the economy.

In a time when industry is shorter on capital funds than it has been in many years, when our Nation is far behind other Western countries in terms of real growth and capital formation, let us get rid of the inane and absurd regulations that OSHA imposes on private industry. Let us repeal this economic sponge and vex to the private employer and let business be about its "business."

**MRS. GLADYS BAGLEY, ONE OF
ARIZONA'S OUTSTANDING WOMEN
JOURNALISTS**

HON. SAM STEIGER

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. STEIGER of Arizona. Mr. Speaker, I regret to report the passing on November 11 of Mrs. Gladys Bagley Schaefer, one of Arizona's outstanding women journalists. She had been employed by the Phoenix Gazette for 46 years, and one of her coworkers, Mr. Jay Brashear, has written a fitting editorial tribute for her.

I ask that Mr. Brashear's editorial, along with the story of her death, be reprinted in the RECORD.

The articles are attached:

[From the Phoenix Gazette, Nov. 12, 1975]

GLADYS BAGLEY SCHAEFER

Gladys Bagley is dead, and in the grief hanging so heavily in The Gazette's offices today it simply isn't possible to pay a fitting tribute to her. She was remarkable in so many ways, and she radiated always a gentle glow of love that brightened so many harsh days for other people.

Where to start about Gladys Bagley Schaefer, as she was known in her nonprofessional life? Her accomplishments as a journalist over a 40-year career fill typewritten pages. Her good works with civic organizations fill pages more.

Yet to list part or all of that biographical data would say little about the magnificent woman who started with The Gazette as a part time employee in 1929, became women's editor in 1962 and worked most recently as the editor of Family News, our employee newspaper.

Perhaps it would be best simply to say that Gladys was a poet in the finest sense that word can be used. She combined a zest for life, a love of people and a way with words to create smiles even in moments of sorrow.

For those whose paths in life never crossed with Gladys Bagley Schaefer's, it is possible to say only that they missed one of God's finest creations. Those of us fortunate enough to have known her must suffer a painful loss, mixed with a legacy of joy she left in coming our way and staying in our midst for so many delightful years.

[From the Phoenix Gazette, Nov. 12, 1975]
FORMER GAZETTE WOMEN'S EDITOR DIES AT
AGE 73

Mrs. Gladys Bagley Schaefer, 73, former women's editor of The Phoenix Gazette and a member of the newspaper's staff since 1929, died yesterday in a local hospital.

Mrs. Schaefer had been in ill health in recent months.

Long active in numerous groups, she helped organize 20 Business and Professional Women's Clubs, 15 chapters of Epsilon Sigma Alpha Sorority, 6 Camp Fire groups, 6 Wesleyan Service Guilds, an Episcopal Business Women's Club, Arizona Poetry Society and Owlets, a national young writers group.

She is survived by her husband, Richard H. Schaefer, and a son, Jesse F. Bagley Jr.

In recent years, Mrs. Schaefer had been with the public relations department of Phoenix Newspapers Inc. Her duties included communications manager and editor of Family News, a publication for Gazette and Republic employees.

Mrs. Schaefer was born in Salem, S.D. She and her first husband, Jesse F. Bagley, moved to Arizona in 1924, and in 1929 she became

a part-time employee of the Arizona Gazette, now The Phoenix Gazette.

In 1936, she was made a full-time employee. Her appointment as women's editor was made in 1961.

Her duties included entertainment editor, women's club editor and assistant society editor.

She edited "Arizona Women," the state magazine for the Arizona Federation of Business and Professional Women, the State Bulletin for Arizona Wesleyan Service Guild, and she wrote columns for "The Jonquil," an Epsilon Sigma Alpha Sorority International Magazine.

Mrs. Schaefer was the recipient of numerous awards. She was a member of several organizations including the Arizona Press Women, Phoenix Writer's Club and the Arizona Alumni of Dakota Wesleyan University.

Services will be at 1 p.m. Friday in the First United Methodist Church, Central and Missouri. Burial will be in Greenwood Memorial Park. A L. Moore and Sons is in charge of arrangements.

DIMBAZA REBUTTED

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. McDONALD of Georgia. Mr. Speaker, a constituent has drawn my attention to a recent Public Broadcasting System showing of a film called "Last Grave at Dimbaza" which presented itself as showing everyday conditions in South Africa, but which was in fact a highly biased production. It is interesting to note that PBS funds are in large part provided by taxpayers' money.

My constituent, concerned about the international Communist-inspired propaganda campaign against South Africa, points to the fact that violations of human dignity and rights in South Africa, when they occur, are reported to the world by the free South African press. And he called my attention to an excerpt from a November 12 speech in the U.N. by U.S. Ambassador Daniel P. Moynihan:

In the Monthly Bulletin of the International Press Institute of June 1975, Mr. Frank Barton, Africa Director of IPI, is reported as having told the assembly of that impeccably neutral and scrupulous organization: "The unpalatable fact is—and this is something that sticks in the throat of every self-respecting African who will face it—that there is more press freedom in South Africa than in the rest of Africa put together."

So much for claims of the filmmakers for having had to make a "secret" film and "smuggle" it out of the country.

In the interests of fairness and accuracy, here is the text of a letter from the South African Ambassador to the United States to the constituent which introduces his Government's rebuttal to the charges made by "Last Grave at Dimbaza."

The material follows:

EMBASSY OF SOUTH AFRICA,

Washington, D.C., November 11, 1975.

The Public Broadcasting System recently arranged for a nationwide showing of a highly biased propaganda film of South Africa entitled "Last Grave at Dimbaza". I participated in a panel discussion after the screen-

ing to point out some of the film's bias and intentional inaccuracies.

It was impossible in half an hour to deal with every lie and distortion. The attached paper will give you some idea of their magnitude.

It is, of course, possible to produce a film portraying worse living conditions in parts of almost any country in the world. Whatever his differences of opinion and interpretation of South Africa, surely no right minded American can accept that a film disseminating objectively determinable lies, be shown, without an opportunity to redress the balance, on public television and in schools and universities across this country. Where freedom of expression includes the freedom to disseminate falsehoods, it should be possible to gain the right to repudiate and demonstrate such inaccuracies.

For instance, when the film "Last Grave at Dimbaza" was screened by B.B.C. Television in Britain last year, arrangements were made to show "Black Man Alive", a film produced in my country which rebuts the allegations made in "Last Grave at Dimbaza".

My office is still negotiating with the producers of the U.S. programme to screen "Black Man Alive" and I would appeal to you, in application of the fairness doctrine, to use your influence to ensure that balance is restored to the vast audience of viewers who have been presented with a false, slanted and a one-sided picture.

Sincerely yours,

D. F. BOTHA,
Ambassador.

FACT PAPER: LAST GRAVE AT DIMBAZA

Many Americans have expressed their concern about the film "Last Grave at Dimbaza," recently telecast by the Public Broadcasting System.

When the South African Embassy was first told of the program it was suggested to the producing station, WNET-TV in New York to include the factually correct South African film, "Black Man Alive," as well, to balance the inaccuracies of "Last Grave at Dimbaza." While welcoming the participation of the South African Ambassador, Mr. Roelof F. Botha, in a panel discussion, we nonetheless felt that Dimbaza should also be visually replied to.

"Last Grave at Dimbaza" was screened on BBC television in 1974. At the same time our own production, "Black Man Alive," was also screened, followed by a panel discussion in which white and black South Africans participated.

Allegedly made in secret and smuggled out of South Africa a few years ago, Dimbaza purports to reflect the truth about conditions in the Ciskei and in South Africa in general.

What has been the reaction of South African blacks to Dimbaza? We quote Mr. C.H.T. Lalendle, a black man who lived in Dimbaza while principal of the Dimbaza school. He said that the film depicts many scenes which are "blatant lies as far as the Ciskei is concerned".

Mr. Lalendle made his statement in Britain last year and at the same time raised a few very interesting questions during an interview with the press.

"Why did these malicious perverters of the truth not visit the Ciskei government to secure first hand information about Dimbaza?" Mr. Lalendle asked. "Why did they omit a school, a clinic, a shop, a factory and a social center, all about 650 feet away from the area shown in the film?"

Why indeed? The film makers undoubtedly did so purposely for it would not have helped their cause at all had they shown Dimbaza's six schools, four churches, factories and the many four and two roomed houses with all modern facilities, where the township's 9,000 residents live.

"Last Grave at Dimbaza" is a well calculated perversion of the truth intended to disgrace Dimbaza", added Mr. Lalendle, who is presently a lecturer at the University of Fort Hare in Ciskei, South Africa.

Contrary to what this film shows, Dimbaza is a thriving community in the Ciskei where, according to a report in the Johannesburg Star, within two years there will be more industries than the local labor force can supply.

In the words of the former Chief Minister of the Ciskei, Mr. Lennox Sebe, on the occasion of opening the township's fifth industrial plant, the future for Dimbaza was so bright that it "will only be two or three years before it will be possible to decentralize industries from there to other growth points in the Ciskei".

Even the Rand Daily Mail, which does not support the government's policies, has carried reports critical of the film. According to columnist Patrick Laurence (October 5, 1974) "Dimbaza, once a dumping ground and a natural target for anti-apartheid protagonists . . . could become the showplace township of the Ciskei".

Describing the developments in the township—the housing program (the construction of hundreds of four roomed homes which would be rented out at \$8 per month), the six schools which absorb some 4,000 children and Dimbaza's employment opportunities which have caused a tremendous voluntary influx of workers, Mr. Laurence remarked: "With a birth rate of 65 per 1,000 against a death rate of 18 per 1,000, Dimbaza is bustling with life."

This then, is the real Dimbaza. A township in the Ciskei, 13 miles from King Williams-town where several industries have been established and where the potential for further industrialization is high as a result of its ideal location and climate.

A township which is rapidly growing in all respects and which faces all the normal problems of any other town or city in South Africa. The allegations, however, that its population was rapidly dying out and that it was a den of misery, are definitely not borne out by the facts.

"Last Grave at Dimbaza" does not, however, deal with Dimbaza alone. Only one tenth of the film, in fact, deals with the township. The remainder is filled with twisted facts and untruths about South Africa in general.

We are told for example, that 45% of black children do not go to school. That 50% of the black children die before the age of five and that only \$16 million is spent annually on education for black children.

Even a cursory glance at official statistics shows how untrue these allegations are.

In 1973 alone, some 3.3 million black children (now closer to the 4 million mark) were attending school in South Africa. Given a total black population of some 15 million at that time, the ratio is nearer to four out of every five black children (or one out of every five per head of population) attending school.

If the infant mortality figures supplied in "Last Grave at Dimbaza" were true, the black population in South Africa should be decreasing rapidly. Instead we find a growth rate of over 3% per annum—from 10 million in 1960 to 15 million in 1970 to over 17 million today.

In 1972-73 the South African government spent over \$74 million on education for the blacks and in 1973-74 over \$103 million, nearly a fourfold increase in one decade.

South Africa has chalked up phenomenal achievements in the field of black education. The following educational institutions for black peoples have already been established:

Lower and higher primary schools, junior and senior secondary schools, teacher training schools, vocational and technical training schools, evening schools and continua-

tion classes, special schools for the physically handicapped and institutions for higher education.

Apart from almost forty teacher training colleges and three universities, there are technical colleges, technical schools, trade schools, vocational schools and industrial training centers. Vocational training includes 26 different trades.

The percentage of the white South African nation at school is 22.1, a figure which can normally be accepted as representing all children of school-going age in any European country. The percentage of the black peoples of South Africa at school has reached 19. The averages for Europe and Africa are 17.4 and 9.7 respectively (Unesco figures, published in 1971).

School attendance for black children is still voluntary in South Africa, but in view of the above figures the question of compulsory attendance has become rather an academic question. The latest census figures (1970) show that about 80% of black children of school going age are in fact attending school.

The fact that the goal of 100% has not yet been reached, is partly the result of the high population growth rate (3.5% per year) and partly due to the fact that this age group comprises 28% of the total black population, compared to only 20-22% in the Western world.

The film also deals with housing. World War II triggered a massive industrial revolution in South Africa. In particular, this led to a large-scale population movement from the black homelands into the mining and industrial complexes of South Africa.

Between 1936 and 1970 the urban black population of Johannesburg alone increased by some 300%. In the two decades 1951-71, excluding dwellings and hostels provided by the mining industry, 302,000 houses were constructed in urban complexes outside the black homelands. During the Sixties the emphasis shifted to the homelands themselves and in the decade 1962-72 more than 100,000 houses were built in the various homelands.

All new townships are constructed to meet certain minimum standards. These townships have churches, schools, community centers, creches, clinics, shopping centers, cinemas, parks and other recreational facilities.

In the decades since World War II South Africa has provided a comprehensive network of health and hospital services for her black peoples. Medical and hospital fees paid by black people vary from province to province and range according to the category of patient. They are, however, usually nominal. Out-patients normally pay from 60 to 70 American cents per month or 35 American cents per visit, irrespective of the nature of the illness or the length of time such treatment takes and irrespective of the qualifications of the doctor. Medicine is provided free of charge.

At present there are 105 hospitals in the black homelands as well as nearly 550 clinic centers. Medical care is also provided extensively at hospitals and clinics in the white part of South Africa, where more than 80,000 hospital beds are available to non-white patients.

Dimbaza also deals with two diseases, tuberculosis and Kwashiorkor. There is a high incidence of Kwashiorkor—mainly a protein deficiency disease—on the African continent. The incidence of Kwashiorkor in South Africa has declined and on the basis of cases notified the incidence appears to have declined to less than one per cent. The average for the rest of Africa has been estimated to be as high as 25%. For many years tuberculosis has been the main single public health problem in South Africa. A well-controlled service provided by the State Department of Health providing entirely free

services, has led to considerable progress in this respect.

According to the London Sunday Times of September 2, 1973, the total number of tuberculosis among the black population of South Africa in 1969 was 413.8 per 100,000 and in 1970 366.5 per 100,000. According to the commentary in "Last Grave at Dimbaza," the number is 1 in 5, or 20,000 per 100,000.

The remaining comments made in the original sound-track of "Last Grave at Dimbaza" which are contrary to fact, are as follows:

COMMENT

The most fertile land lies in the white area—the Banut Homelands are already overpopulated.

FACT

The total surface area of the Bantu Homelands comprises approximately 38.5 million acres—an area greater than England and Wales together. The largest Homeland, the Transkei, comprises 9.4 million acres—larger than The Netherlands, Belgium, Israel or Switzerland. The population density of the Transkei is 74 persons per square mile, compared to 339 for Great Britain and 584 for The Netherlands.

If 20 inches of rain per year is regarded as the minimum requirement for successful agricultural cultivation without irrigation, 75% of the surface area of the homelands can be regarded as most suitable for this type of agriculture compared to 35% of South Africa as a whole.

In South Africa only 62,500 square miles falls within a zone with moist temperature climate—of this amount approximately half lies within the black homelands. Seventy six per cent of the land in the homelands receive a minimum of 20 inches of rainfall compared to the annual average rainfall over the whole of South Africa of 17 inches. The 156,250 square mile dry, semi-desert Karoo, for example, falls totally within the white area.

COMMENT

Per capita annual income of the population in the homelands is only \$35, making them among the poorest in the world.

FACT

The per capita annual income of, for example, the Transkei and Wwazulu in 1973 was \$200 and was therefore much higher than the per capita annual income of, for example, 20 independent states in Africa (Burundi, Chad, Central African Republic, Dahomey, Ethiopia, Gambia, Equatorial Guinea, Lesotho, Malagasy, Malawi, Mali, Niger, Nigeria, Rwanda, Somalia, Sudan, Tanzania, Togo, Uganda, Upper Volta and Zaire (Source: Europa Year Book—1973, Volume 1 and the Johannesburg Star's African News Service).

For the residents of all the homelands in South Africa the following is the situation according to the Minister of Bantu Administration and Development, Mr. M. C. Botha—"From 1960 to 1973 the per capita income of the Bantu within the homelands increased from \$87 per head to an estimated amount of \$213—an increase of 145% (Hansard, No. 7, 16-20, September 1974).

COMMENT

Like all the Bantustans the Transkei is desperately poor and underdeveloped.

FACT

According to the Johannesburg Star (19 December 1972) the budget of the Transkei for that particular year amounted to \$66 million (presently \$100 million). This amount corresponds favorably with the budgets of the following sovereign independent African states:

Botswana, \$42 million; Burundi, \$26 million; Central African Republic, \$57 million; Dahomey, \$22 million; Equatorial Guinea,

\$17 million; Gambia, \$14 million; Lesotho, \$17 million; Mauritania, \$55 million; Niger, \$62 million; Rwanda, \$21 million; Swaziland, \$36 million; Upper Volta, \$54 million.

The income of the economically active homeland inhabitants in 1970 totalled \$1,234 million compared to \$1,916 million in 1973, an increase of 55% (Hansard, No. 7, 16-20 September 1974).

The homelands have in the thirteen years up to 1973 enjoyed an annual growth rate of 7.2%, more than twice that of Zambia and Botswana and three times that of Malawi.

COMMENT

In South Africa there is one doctor for every 400 whites and one doctor for every 44,000 blacks.

FACT

It is misleading to say that non-white South Africans are treated only by non-white doctors, while white South Africans are treated only by white doctors. When one divides the total population of South Africa by the number of white and black doctors the applicable figures are one doctor for 1,970 inhabitants and this figure in fact accurately represents the actual situation. Very nearly all white doctors either have mixed practices or work exclusively among non-white patients.

Nearly \$261 million is spent annually by South African authorities on health services for the black population. There are 150,000 hospital beds available for the black population—a rate of 8.8 beds per 1,000 non-white inhabitants compared to the international norm of the World Health Organization which is 5 beds per 1,000 inhabitants.

COMMENT

Under the Master and Servant's Law a black in many industries can go to jail for being absent from work, for trying to change his job before his contract expires or for refusing to obey commands.

FACT

The above-mentioned legislation was, before it was removed from the Statute Books during the last Parliamentary Session (August-October 1974) only applicable to workers in the agricultural sector. The Factories, Machinery and Building Work Act of 1941, originally passed in 1918, and the Shop and Offices Act of 1964, regulate the hours of work and other service requirements of white as well as non-white workmen in industry and commerce.

COMMENT

Black workers have no protection under the law.

FACT

According to the Bantu Labour Relations Regulations Act of 1953, provision is made for means whereby the wishes of Bantu workers can be brought to the attention of the employer, the Central Bantu Labour Board, the Wage Board and the Minister of Labour. The Machinery for the Arbitration of Bantu Labour Disputes exists in the form of a Central Bantu Labour Board, Regional Bantu Labour Committees, Liaison Committees and Works Committees. During 1973, Article 18 of this Law was amended giving Bantu employees the same strike rights as white employees.

Legislation is presently being planned by the South African Government giving black workers a better bargaining position in determining wages and service conditions. The proposed legislation, which will amend the Bantu and Labour Relations Regulations Act, has already been published. The Bill, which proposes the formation of black industrial committees on a regional basis, provides for agreements reached with employees in areas where there is no industrial council to be made legally binding.

COMMENT

Even those who do get to school have to follow a special syllabus which is inferior to that taught in white schools.

FACT

This statement is totally unfounded. An extensive education inspection system is continually busy maintaining the level of education in all schools—black and white. In addition, black pupils are required to pass exactly the same examination as white pupils.

As was the case with all white universities, so the young black universities have for many years been under the supervision of the University of South Africa which has ensured that the quality of education and the level of competence required by examination has been maintained. For both black and white universities external examiners are appointed.

COMMENT

The system of job reservation reserved all so-called skilled work for whites. There is not one black registered apprentice in the country.

FACT

From the beginning of January this year training centers apart from the usual technical schools have been established for black employees in industry. In order to stimulate the education of black employees in so-called skilled categories the South African Government introduced in its 1974-75 budget a number of attractive tax concessions to employers who contributed in this education.

Negotiations between employers and trade unions were continually opening up fresh avenues of employment for black workers.

It should be clear from the above that the film "Last Grave at Dimbaza" presents a misleading picture of South Africa, to say the least.

As all the facts and figures about South Africa are freely available, one can only assume that the producers created this false and slanted film with full intent.

Like all countries, the Republic of South Africa has its difficulties and problems and, as in all other countries, the people in South Africa, both black and white, are doing their utmost to iron out these problems.

This includes the removal of discriminatory practices which inhibit that improvement of relations between them. Calls are repeatedly being made by the South African Prime Minister and other public officials for the universal respect of the human dignity of every person, irrespective of race or creed.

In the United Nations Security Council last year the South African Ambassador stated categorically that his Government did not condone discrimination purely on the grounds of race or color, that such discrimination could not be defended and that everything would be done to move away from discrimination based on race or color.

While these sincere efforts are in progress by the peoples of southern Africa to remove obstacles which endanger peace and security, irresponsible initiatives are being planned by groups or countries which have no direct interest at stake in the area and are committed to principles which can have dire consequences in Africa and wider afield.

Films like "Last Grave at Dimbaza" do nothing to aid anyone in South Africa nor, in this age of détente, mutual understanding and peaceful co-existence, to help truly interested parties to understand the real problems facing black and white leaders in South Africa.

They serve only to polarize differences and exacerbate relations. South Africa is a country which has always maintained friendly relations with the United States and is of significant importance both strategically and as a source of vital raw materials. The aspirations of its people to solve their own problems peacefully is in accordance with the United States' own traditions of peaceful settlement of disputes.

SOUTH AFRICAN EMBASSY.

NOVEMBER 11, 1975.

DOUBLE STANDARD FOR AMNESTY

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Ms. HOLTZMAN. Mr. Speaker, the United States has introduced a resolution calling for unconditional amnesty for all political prisoners around the world. At the same time, the United States continues to penalize its own citizens who protested participation in the Vietnam war.

The following article from the November 14, 1975, New York Post points out the inconsistency of these two positions. I commend it to your attention:

DOUBLE STANDARD FOR AMNESTY?

Introducing a draft resolution calling upon "all governments to proclaim an unconditional amnesty by releasing all political prisoners . . ." UN Ambassador Moynihan has decry hypocritical endorsements of human rights by autocratic states as "selective morality." Unfortunately, he overlooked certain gross U.S. deficiencies in that connection, especially those arising from punitive, unrelenting reprisals against Vietnam war resisters.

As defined by the Ambassador in the eloquently phrased resolution, political prisoners are "persons deprived of their liberty primarily because they have . . . sought peaceful expression of beliefs . . . at variance with those held by their governments or have sought to provide legal or other forms of non-violent assistance to such persons . . ."

By any civilized standard, that definition should be more than adequate to include Vietnam draft resisters who rejected the ignoble, demeaning conditions of the Ford "clemency" proposal. Yet Leonard Garment, the chief U.S. representative on the UN Human Rights Commission, maintains that the projected amnesty could not apply to the Vietnam men.

Why not? What are the delicate distinctions involved? What kind of "peaceful expression" is more meaningful than their conscientious objection?

Who qualifies as a "political prisoner"? The grim term obviously applies to the uncouth inmates of wretched cells and brutish totalitarian labor camps maintained by many a member of the United Nations—including some of those in the highest official favor with Washington. Should it apply any less to Americans who were, indeed, "at variance" with their government's Vietnam policy and are either still in jail, denied the right to return to their homeland freedom, or bear the stigma of dishonorable discharge?

The world's prisoners of conscience are an international society, whether they are behind bars or political refugees from their own countries.

As an appeal to the most generous instincts of mankind, the U.S. draft resolution seeks to embody honorable ideals. It was obviously offered at this time as a response to the execrable pieties and frauds in which some UN members freely indulged during the debate on the "Zionism" resolution.

But in the end, it lacks the moral weight that would give it strength and durability. Washington's harsh treatment of the Vietnam resisters and its tolerance of "friendly" despots around the globe make its preachments on political prisoners as vulnerable as the Orwellian double-talk to which it is addressed. Example can mean infinitely more than impassioned exhortation.

To exempt the United States from the spirit and substance of the amnesty resolution we have offered is to invite derision and to

caricature a worthy cause. Ambassador Moynihan has spiritedly decried the "double standard" morality exhibited by the Communists and some of their Third World allies. Can anyone escape the irony embodied in a U.S. call for amnesty that discriminates against Americans who "prematurely" rejected the Vietnam war?

THE NEW MCCARTHYISM

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. CRANE. Mr. Speaker, it has often been noted in history that the critics of a given policy or approach, once they gained power themselves, became the most effective exponents and perpetrators of that same policy.

During the 1950's the U.S. Senate voted to censure Senator Joseph McCarthy of Wisconsin for abuse of congressional committee power, character assassination, and slanders.

Today, there are a number of men in that same body who, while proclaiming themselves enemies of the old "McCarthyism" have been involved in creating a new version.

When conservative businessman Joseph Coors was nominated to a seat on the 15-member Corporation for Public Broadcasting, liberal members of the Senate Commerce Committee voted to kill the nomination. Why? Simply because Mr. Coors expressed a point of view different from their own.

The reasons given for opposing Mr. Coors had little substance. It was said, for example, that he was unacceptable because he was himself involved in the television news business. The Washington Star provided this editorial assessment of those who made that charge:

They overlook the broadcasting connection of at least five present members of the CPB and a provision of the law that says the 15 members of the board shall be selected from citizens "who are eminent in such fields as education, cultural and civic affairs, or the arts, including radio and television."

Discussing the treatment of Mr. Coors, columnist Jeffrey St. John notes that:

In the 1950s a parade of liberal and left-wing Congressional witnesses denounced Congressional inquiry into their personal and political beliefs and asserted the right to hold such views. This right has been denied Mr. Coors.

In his important article, "The New McCarthyism," Mr. St. John highlights other ways in which individual Americans are being hounded by Government, particularly congressional committees, for their views. He writes, for example, that:

The Senate Commerce Committee . . . earlier this year dispatched two staff investigators to grill business leaders who had signed a paid advertisement supporting the deregulation of natural gas. This is strikingly similar to Congressional probers in the 1950s who investigated liberal and left-wing intellectuals who signed paid political advertisements.

Mr. St. John concludes that:

. . . the legislative liberals' conduct of Congressional hearings is proving that we have moved from a Watergate of the executive to the witchhunt of the legislative.

I wish to share Mr. St. John's thoughtful column, which appeared in the November 3, 1975, issue of the New York Times, with my colleagues, and insert it into the RECORD at this time:

[From the New York Times, Nov. 3, 1975]

THE NEW MCCARTHYISM

(By Jeffrey St. John)

WASHINGTON.—"Because we have always thought of government as friendly," asserted the late Adlai Stevenson in 1952, "not as brutal character-assassins and slanderers, the Congress of the United States has had a free hand in the method they use."

If he were alive today, the two-time liberal Democratic Presidential contender would be hard-pressed to explain the difference between the conduct of a Congressional committee headed by the late conservative Wisconsin Republican Senator Joseph R. McCarthy in the early 1950's and the conduct of Congressional committees in the 1970's under liberal Democrats.

Senator McCarthy was censured by the Senate for his abuse of Congressional committee power, character assassination and slanders. The victims of the old McCarthyism in the 1950's were members of one class of Americans: academics, career diplomats, members of the arts and communications. The victims of the new McCarthyism of the 1970's are also members of one class: businessmen and their allies who find little political favor with Congress, the news media, and in turn the public.

The Colorado brewer Joseph Coors, nominated to serve on the Public Broadcasting Corporation's board, has become the latest victim of the new McCarthyism. His nomination, delayed by Senator John Pastore, Democrat of Rhode Island, acting chairman of the Senate Commerce Committee, because of Mr. Coors' conservative philosophy and support of some of the views of the John Birch Society, was killed by the committee Thursday.

In the 1950's a parade of liberal and left-wing Congressional witnesses denounced Congressional inquiry into their personal and political beliefs and asserted the right to hold such views. This right has been denied Mr. Coors.

The Senate Commerce Committee, moreover, earlier this year dispatched two staff investigators to Sandusky, Ohio, to grill business leaders who had signed a paid advertisement supporting the deregulation of natural gas. This is strikingly similar to Congressional probers in the early 1950's who investigated liberal and left-wing intellectuals who signed paid political advertisements!

Starting with the Watergate hearings, individual executives and corporations have been increasingly attacked before Congressional committees as white-collar criminals and catalysts for economic conspiracies.

Senator Henry Jackson, Democrat of Washington, practiced this poisonous political art when, during the Arab oil embargo, he whipped presidents of petroleum companies with innuendoes and charges of an economic conspiracy that he has failed to this day to prove with facts.

Had he leveled the same campaign of character assassination against presidents of, say, major American universities, he would have been denounced by the very media that lavishly covered Mr. Jackson's performance without a murmur of criticism.

Witnesses who appear before Congressional committees have no specific bill of rights.

Individuals accused of crimes cannot be questioned at length, but Congress can and does, often for the benefit of the press.

The press is restrained in criminal cases on pretrial publicity, but press coverage of Congressional hearings can ruin the reputation and public standing of individuals and institutions with virtual impunity.

In fact, the press is too often in league with liberal and young ambitious Congressional staffers who "leak" information to the media for the calculated damaging effect such staged and rehearsed public trials provide. Victims of such political cunning have no protection, but members of Congress and the press have virtual immunity by specific articles of the United States Constitution.

The only right a witness has before Congress is the Fifth Amendment which too often is automatically regarded as an admission of guilt and has involved attempts by Congress to hold such pleaders in contempt.

In criminal proceedings both prosecutor and defense attorney are bound by a specific code of conduct and rules of evidence. Congressional committees have no such code or rules regarding evidence. A Congressman or a Senator can make any charge, however false or lacking in factual foundation, in full view of the media, and destroy a reputation.

Liberals in Congress have unleashed a form of political terror against the liberties and rights of individuals who do not enjoy political favor with the prevailing Establishment. These same liberals have constantly told us that the lasting lesson of Watergate was the abuse of power by the executive. But the legislative liberals' conduct of Congressional hearings is proving that we have moved from a Watergate of the executive to the witchhunt of the legislative.

MONTY ODETT'S DEATH—AN AWESOME LOSS

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. GOLDWATER. Mr. Speaker, the people in the Antelope Valley have now had a month to miss the owner and publisher of the Antelope Valley Press, Monty Odett, who passed away on October 14. And I know they, along with his family, miss him mightily. During the years I represented the Antelope Valley here in the Congress, Monty was one of the people I could always count on to tell it to me straight. I think one of the most touching tributes to him can be found in the editorial of his own newspaper, and I want to share it with my colleagues:

MONTY ODETT'S DEATH—AN AWESOME LOSS

The death of Monty Odett on Tuesday is an awesome loss to the Antelope Valley.

His contributions during his more than 17 years as an involved citizen of this community are enormous.

By word and deed, he promoted the Antelope Valley, lending the support of his newspaper and his personal involvement to innumerable community projects and causes.

As the editor and publisher of the Antelope Valley Press, he wholeheartedly supported any project that he felt would better the community.

In addition, he actively personally worked in numerous community endeavors. About the only thing that ever prevented him and his wife, Miriam, from attending any major

community function was if they had other commitments at the same time.

He will be known as the prime moving force that made it possible for the Antelope Valley Freeway to be built on a continuing year-by-year schedule. As chairman of the Antelope Valley Freeways and Transportation Committee, his low-key, friendly leadership was responsible for the annual flow of money that made it possible for the freeway project to be moved ahead steadily, without delay.

He was a civic leader in the classic sense, always willing to devote himself to the job at hand.

As president of the Antelope Valley Progress Association (now the Board of Trade), and as chairman of the Four-County Development Committee, he demonstrated strong leadership in pushing for improvements on the high desert.

He was a key factor in bringing about the joint-use agreement that resulted in the development of the Palmdale Air Terminal.

Water, schools, streets, parks, libraries, and all kinds of community service developments were enthusiastically supported by him.

He insisted on thorough coverage of the community—its activities, its people, its problems, its tragedies, and its triumphs.

The growth and singular success of the Antelope Valley Press was due to his tireless zeal in leadership in publishing "Your Community Newspaper".

Now that an untimely death has forced him to vacate the desk where he guided the destiny of the Antelope Valley Press, his two sons, Monty Jr. and Bill, will continue on in his place.

The Antelope Valley Press will continue to be guided by the community-oriented journalistic principles practiced by Editor and Publisher Monty Odett. The entire newspaper staff pledges to strive to live up to the outstanding example of a dedicated newspaperman—Monty Odett.

There will be no "30" at the end of this story, because the spirit of Monty Odett will live on in this newspaper and in this Antelope Valley.

EXAMPLE FOR NEW YORK CITY

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. FINDLEY. Mr. Speaker, as the Congress ponders the question of a financial rescue of New York City, we can wisely note the record of other communities in resolving fiscal problems.

I am proud of the record of my hometown, Pittsfield, Ill., a community of about 4,000.

Pittsfield has faced the same basic problems as New York in recent years—sharply rising cost of community services and a steady growth of such services.

Thank to prudent leadership over the years, Pittsfield is in sound condition. This is a tribute to the vision of former Mayors T. N. Troutner, Sr., and Frank Penstone, Sr., the present mayor, Dudley Williams, and the councilmen who have served with them.

The article below, originally published in the November 12 issue of Pittsfield's weekly newspaper, the Pike Press, recounts the Pittsfield record, one which is in sharp contrast with that of New York City.

The article follows:

HOW A SMALL MIDWEST TOWN MANAGES ITS MONEY

(By Betty Kriegshauser)

While New York City totters on the edge of bankruptcy and Mayor Abe Beame ponders if help will come before his great city is forced to default on paying off its bills and loans, Mayor Dudley Williams and Pittsfield's city council sit financially snug on a fat bank account for a town the size of Pittsfield.

MONEY IN BANK

Pittsfield's bank account the end of October stood at \$702,356. Of that, \$353,607 is a cash balance after all the bills were paid; \$348,749 represents reserve funds and money invested in securities (certificates of deposit)—a tidy "nest egg" over and above the money needed to meet the city's bond obligations, payroll and other normal operating expenses.

And that nest egg is drawing about \$24,000 a year in interest, Mayor Williams stated last Friday while reviewing the city's financial picture for the Pike Press.

RECORD-BREAKING BUSINESS

Referring to the treasurer's report for the month of October, the mayor pointed out that Pittsfield has done a record-breaking \$926,634 "worth of business" during the first six months of the 1975-76 fiscal year. The total includes receipts from the sale of water and gas, the city's share of the state sales tax, its share from property taxes levied at the county level, federal revenue sharing funds, all sources. The total a year ago the same time was nearly \$200,000 less—\$729,404.

Disbursements for the six-month period came to \$841,312—leaving the current cash balance of \$353,607. In a casual aside, the mayor noted the city has spent \$50,000 on new equipment alone so far this year.

Back to the \$348,749 in reserve funds—the nest egg and funds invested in securities to produce additional money:

\$95,000 of the total is motor fuel tax funds returned to the city by the state and reserved for street improvements. It's drawing interest for the city until put to use.

\$22,500 is federal revenue sharing money earmarked to be spent on repairs to the swimming pool at King park. It, too, is invested and drawing interest.

Mayor Williams stressed the importance of putting available money to work by investing it in certificates of deposits and treasury notes until it's needed for a specific project.

Wise investments plus preparing a realistic budget and "staying within it" are essential to the financial health of a city, in Mayor Williams' opinion.

One of Mayor Beame's problems, said Williams, is that New York City didn't follow its budget. Also reserve funds weren't established and bonds were issued beyond the legal debt margin. "Somebody closed their eyes, . . . they had to . . . had no choice," said the Pittsfield mayor talking about New York's dilemma.

WON'T BE CAUGHT SHORT

Unlike New York City, Pittsfield isn't likely to be caught short in meeting its bond obligations. Mayor Williams credits past city fathers who set up bond and interest reserve funds to make sure the city could meet its obligations when payments came due. "They were smart years ago." Those fiscal policies have kept Pittsfield solvent and account, in part, for today's nest egg.

FAVORS RESERVE FUNDS

Mayor Williams' goal is to establish reserve funds in all departments. He specifically mentioned a reserve fund for street improvements not qualified for motor fuel tax money.

This year the council established a fire engine depreciation reserve fund in which \$7,000 is being set aside annually against

the time new equipment must be purchased for the fire department.

Designated reserve funds currently amount to \$231,247. Here's the breakdown:

\$85,000 in the general obligation bond fund.

\$10,328 in the water construction fund.

\$81,286 in the water works and sewer bond and interest reserve fund.

\$6,000 in the gas meter deposit fund.

\$2,000 in the water meter deposit fund.

\$38,496 in the municipal utilities depreciation reserve fund.

\$1,137 in the water main and sewer extension fund.

\$7,000 in the fire engine depreciation reserve fund.

Pittsfield's present long-term indebtedness amounts to only about \$306,000 in revenue bonds issued for the construction of the present sewer plant and the water plant at the new lake. In addition, approximately \$87,725 is left to pay on the general obligation bonds which were issued to build the city lake.

In September, the city made its last payment of \$4,000 on revenue bonds issued on the "old" sewer plant which hasn't been in use since the present sewer plant went into operation.

A payment of \$10,000 also was made in September on revenue bonds issued in the amount of \$141,000 in 1954 to build the present sewer plant. These bonds are scheduled to be paid off in 1984 and were issued with an interest rate of only 4.25 percent. September's payment was the first scheduled on this issue.

The city also has outstanding \$320,000 in revenue bonds at 4.25 percent for the water plant. These bonds were issued in 1960 and are scheduled to be paid off in 1990. The first payment of \$3,000 will be due in September, 1977.

The city lake was built with general obligation bonds, voted by the people in 1960. The original issue totaled \$458,000 with an interest rate of 3.75 percent. Only two payments of around \$43,000 each are left and these bonds will be retired. The scheduled retirement date is December, 1976.

TAXES ABATED

Interestingly enough, the tax levied for the lake bonds has been abated each year because, under the leadership of the late Tom Troutner, mayor at the time, the council passed an ordinance which provides that \$3,500 a month be set aside from sales tax receipts to pay for these bonds.

Mayor Williams envisions applying the Troutner approach in financing the updating of the sewage treatment facility—a major project now in the planning stages.

HOW TO FINANCE IT

As Mayor Williams sees it, the nest egg money plus a designated amount of income from sales tax returns could finance the city's share in the city-state financed project. Pittsfield's share will run 20 percent—around \$200,000—of the total cost of the nearly \$1 million project with no added burden to the taxpayers.

However, sewer rates would be increased, maybe \$2 or \$3 a month, to cover operating costs. But there would be no "use" charge for the plant customarily charged to pay for financing bonds and which can run as high as \$30-\$40 a month (reportedly the range in Quincy) or \$14 a month, which is being charged in Nebo.

WHAT WOULD HAPPEN?

But what would happen if the brisk commercial business Pittsfield enjoys takes a nose dive and the city loses the healthy sum it now receives from sales tax returns?

Without batting an eye, the mayor replied he'd have "no alternative" but to cut equipment purchases and reduce the work force. And he wouldn't hesitate to tell government agencies like EPA who impose regulations "to

go jump in the lake" unless they provide the money for implementing the programs they expect municipalities to follow.

COLUMNIST BUCHANAN, FORMER NIXON AIDE, RAPS PRESIDENT FORD FOR FIRING SCHLESINGER AND OTHER CABINET CHANGES

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. EVINS of Tennessee. Mr. Speaker, it is always interesting to observe the currents that run in Government and I was, therefore, most intrigued by a recent column by Mr. Patrick J. Buchanan, formerly a very vocal top aide to former President Nixon, sharply critical of President Ford's recent Cabinet changes and lack of management.

Referring to the recent Cabinet changes and reported internal struggles for power within the Ford administration, this former member of the Nixon team wrote:

Rightly or wrongly, the impression emergent is that of a President incapable of imposing discipline upon his unruly household.

Because of the public interest in this matter, I place the report by Mr. Buchanan which appeared in the Nashville Tennessean in the RECORD herewith:

FORD WROTE HIS TICKET FOR POLITICAL DEPARTURE

(By Patrick J. Buchanan)

WASHINGTON.—Despite his command performance Monday evening, Mr. Ford, with his startling cabinet shake-up, has again shorted the odds that he will be the first Republican President in memory to lose the nomination of his own party.

It is not so much what was done, as how it was done. Rather than the smooth, programmed transfer of power it was intended to be, Mr. Rockefeller's abdication and the dismissal of Secretary Schlesinger and Mr. Colby came with all the breath-taking suddenness and surprise of political unfolding in downtown Lisbon.

The President may now have, in the defense and security agencies, men with whom he can comfortably work. But the impression in this city is less of confidence strengthened than of confidence shaken.

Mr. Rockefeller's departure from the Republican ticket was foreordained, predicted here as long as early last summer. The vice president was prescient and wise to stand down, rather than endure an ignominious nine months of political sniping from the right and embarrassing inquiries from the national press.

But if his departure relieves one major headache for Mr. Ford, it creates others. Never long on party loyalty, the former governor of New York now has some major scores to settle with the Republican right and no reason for postponing their settlement. While Mr. Ford has the vice presidency to troll in front of every drooling and ambitious Republican, the removal of Rockefeller is a signal certain that his eventual choice will not be a Rockefeller Republican.

Messrs. Brooke, Percy, Mathias, Javits, Weicker, etc., can read these tea leaves as well as the next fellow. With Rockefeller removed,

with no chance themselves of being anointed in his stead, with Gerald Ford moving rightward to combat Governor Reagan, the incentive for Republican liberals to remain presidential loyalists is disappearing. Look for an open break between the White House and the Republican left on Capitol Hill.

Rockefeller's declination may be the Sarajevo of the GOP, the opening shot in a renewal of the conflict of '64 between the party's liberal and conservative wings. Such a conflict will leave the President in the diminishing center; indeed, the possibility emerges that Gerald Ford will have at least taken opposition in the party primaries from the liberal wing as well as Mr. Reagan.

As for Mr. Schlesinger's departure from Defense, that is a loss to the cabinet and the country. Abrasive he may have been with the barons of Capitol Hill, but he is also a man of brilliance and integrity. Almost alone within the cabinet, he has warned America, in Churchillian accents, against an over-investment of hope in detente, against the consequences to the West of the shifting balance of military power. If it was impolitic and undiplomatic to denounce House Appropriations' cuts in defense as "arbitrary" and "savage," it was also true and courageous. His departure leaves empty a pair of shoes Mr. Rumsfeld will not find easy to fill.

With Schlesinger gone, skepticism over what America is trading away in the SALT negotiations is certain to grow. Should the President and Dr. Kissinger come home with an arms agreement no better than the deal brokered at SALT I, all hell is going to break loose among the Jackson Democrats and Goldwater Republicans.

Considered individually, the power shift is of marginal utility to Dr. Kissinger who loses his NSC post to a loyal deputy, but who is also rid of his most capable antagonist in the councils of government.

The shift, however, was of considerable advantage to Mr. Rumsfeld who hands over the dead-end post of chief of the White House staff to a trusted protege, while ascending himself to a cabinet position of power and visibility.

The imperative need now is for the President to get control of his government. Discontent there must be within its councils, but, all too often, White House aides and cabinet officers supposedly loyal to Gerald Ford have been engaging in personality clashes and political battles on the front pages of the nation's press.

Rightly or wrongly, the impression emergent is that of a president incapable of imposing discipline upon his unruly household. Which makes one wonder if all this jockeying for position and shifting of posts is little more than quarreling generals fighting for office space on Corregidor.

LATVIAN INDEPENDENCE DAY

HON. JOHN Y. MCCOLLISTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 18, 1975

Mr. MCCOLLISTER. Mr. Speaker, today, November 18, is the 57th anniversary of the day Latvia proclaimed itself an independent republic. This commemoration is a useful reminder that the peoples of the Baltic nations remain enslaved by Soviet imperialism. The United States continues strong in its resolve to support the independence of the Latvians, Lithuanians and Estonians and to

resist Soviet claims that their forced annexation of the Baltic nations should be legitimized by international organizations.

Opposition to the forced incorporation of the Baltic nations far transcends political opposition to communism as an ideology or to the expansion of Soviet influence. We are dealing here with a question of basic human rights—the kind of rights recognized in the United Nations Declaration of Human Rights. The United States has long been the champion of individual rights and political self-determination. In 1975, the United States stands as firmly committed to self-determination and independence for Latvia as it was in 1918 when Latvia declared its independence.

In recent years, the United States has taken the initiative to promote world peace through its policy of detente, reducing international tensions between the world's two superpowers, the United States and the Soviet Union. Nowhere in our softened policy of relations with the Soviets, however, has the United States ever endorsed Soviet policies toward the Baltic nations. Nor will it.

EDUCATION RESCISSIONS SHOULD BE REJECTED

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. PEYSER. Mr. Speaker, yesterday President Ford asked Congress to rescind \$1.28 billion from education programs of the Department of Health, Education, and Welfare. The cuts are proposed in the following areas: \$220.4 million in elementary and secondary education; \$220.9 million for school assistance in Federal affected areas; \$36.4 million for education for the handicapped; \$14.2 million for occupational, vocational and adult education; \$768.1 million for higher education; and, \$28.9 million for library resources.

I urge the President to withdraw these rescissions, and if he does not, I urge the Congress to reject the rescissions. The President is asking us to reverse our earlier actions and now cut the budget that we worked long and hard to make as fiscally prudent as possible.

For nearly a year now we have fought the battle of education appropriations. The Congress overwhelmingly passed the education appropriations bill, and then overwhelmingly overrode the veto of that bill. For the President to now ask us to reverse those actions and approve these rescissions is to have ignored what we in the Congress have consistently maintained, that is, this is the bare minimum that these programs need.

In my opinion, the careful and well reasoned arguments that we have made in favor of the education appropriations bill still prevail, and therefore, these rescissions should either be withdrawn or rejected.

THE ABRAHAM LINCOLN BRIGADE:
PARTISAN REPORTING

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. McDONALD of Georgia. Mr. Speaker, at a time when the Spanish Government is in transition and U.S. bases in Spain are up for negotiation, it is interesting to note that the activities of groups supporting the Spanish Communist Party are increasing here in the United States.

The Veterans of the Abraham Lincoln Brigade—VALB—has been receiving considerable attention in the mass media for its views on Spanish affairs. The VALB is headed by national commander, Steve Nelson, a former Comintern agent, spy, and saboteur who was for many years a top leader of the Communist Party, U.S.A.—CPUSA.

Nelson's public articles and statements on behalf of the brigade do not mention the Communist origins of his organization. In a letter to the *Daily World*, March 1, 1975, Phil Frankfeld criticized Nelson for not giving the CPUSA credit and noted:

The Lincoln Brigade was not a spontaneous, immaculate conception. Unlike Minerva, it did not spring full-blown from Jupiter's brow.

It had its origin, inspiration and organizing genius somewhere.

That was the Communist Party of the United States. At a plenary session of the national committee held in mid-1936, . . . A motion was unanimously and enthusiastically adopted that an American contingent be formed to help defend the Spanish Republic.

Every Party leader was directly involved and given responsibility to recruit volunteers, raise funds, help obtain passports and necessary equipment for combat conditions. In this the Party was ably supported by the Young Communist League.

Nelson's rejoinder was that as commander of the VALB, his function was to "raise the issues on Spain which have the widest appeal, which go beyond the Communists, the left, and the 'New Left.'"

Nelson continued to state that he was aware that it was the Communist Party of Spain which was organized the "Democratic Junta" in Spain from leftist elements of the "Monarchists, Socialists, Basques, Catalan nationalists, bourgeois democrats, and even the Catholic Church."

In light of the Communists' need to organize these elements into a controllable front, Nelson said that—

It is more important to project a broad policy and win support of people who might shy away from supporting us in the fight today, than merely to re-state factual matters which existed in 1936.

That is, to boldly mention Communist involvement.

With these facts in mind, syndicated columnist, Jeffrey Hart, has produced a commentary on a *Rolling Stone* article extolling the veterans of the Abraham

Lincoln Brigade. Mr. Hart points out that the writer of the *Rolling Stone* article has previously produced highly emotional anti-Vietnam war "tear-jerkers" when she was a principal New York Times correspondent in South Vietnam. I commend the attention of my colleagues to this column:

CELEBRATING THE ABRAHAM LINCOLN BRIGADE
(By Jeffrey Hart)

In its July 31 issue, the quasi-underground paper *Rolling Stone* ran a long and celebratory article on the Abraham Lincoln Brigade. These were American volunteers, largely Communist and serving under Communist auspices, who fought on the Republican side in the Spanish Civil War. There is nothing remarkable about the appearance of the article in *Rolling Stone*—the politics of that paper is standard New Left—except that the author of the article was Gloria Emerson of the New York Times, not long ago a principal Times correspondent on the scene in Vietnam.

Let us for a moment go back three or four years, to the time when the Vietnam War was a burning and divisive issue in American politics. Gloria Emerson's regular dispatches from the scene were not "news." They were mood pieces, designed to capture the essence of things in some small incident. Week after week they appeared, sometimes on the front page, and their quality was inimitable. The closest thing in my experience to the Emerson mood was the soap-box radio serial, *Stella Dallas*. Emerson wrote tear jerkers.

At one point in 1972, the Saigon government was trying to resettle in the South some farmers from exposed Quang Tri Province in the North. Here is the special Emerson music:

"The refugees, many of them bare-foot, stood on the shiny airstrip early yesterday morning holding clumsy bundles and shivering babies and looking fearful of the big American warplanes and the long voyage ahead. . . . The United States mission in Vietnam has been severely criticized for its relocation programs, which were often considered of little or no benefit to the Vietnamese who were forced to move . . ."

Just by way of contrast, here is how another Times reporter wrote up the same relocation program four days later: "After the heartache and uncertainty of leaving home, and a short-lived epidemic of airsickness, the 1,500 pioneers of South Vietnam's most ambitious refugee resettlement project are taking over their new village and say they are eager to start a new life. For the swarming families who arrived here last Thursday, Friday and Saturday, the move looks like a good deal. 'This is good land, much better than I had up there,' said Le Tiet, a 50-year old farmer."

From the thousands upon thousands of words filed from Vietnam by Emerson, let us select one other choice item, from 1971. This time she rated five columns on the front page of the Sunday edition. Ostensibly, the story concerns some minor skirmishing around the obscure village of Bachuc. Four South Vietnamese had been killed, and some villagers injured, by Vietcong mines in the neighborhood.

The moral of this strange item is presented by Nguyen Van Sam, a Bachuc "religious leader," who says, according to Gloria Emerson: "Between death and injury, death is perhaps easier for us. We are very poor. If a villager loses an arm or a leg his family will suffer, for he can no longer work." Accompanying all this is a large front-page photo of Tran Thi Nam, a "mother of eight," who lost an arm and a leg in a Vietcong mine blast.

All of this, of course, issued in an implicit but very loud message. If you supported Vietnamization and continued resistance to a

Communist takeover, you wanted to blow the limbs off the "mother of eight" and by inference wanted the "eight" to starve.

Miss Emerson concluded these heartrending proceedings, and by this time the reader was about ready to turn himself in as a war criminal, with another quotation from the ever obliging Nguyen Van Sam: "God cannot hear what we are trying to say. We are choked by the hands of the government, so we cannot shout out."

God might not have been able to hear, but the reader certainly did. It was not enough that the U.S. withdraw its troops. The war itself had to stop, and whatever the consequences.

Now let us return to the present, things having been tidied up in Vietnam. Miss Emerson not only wrote the long paean to the Lincoln Brigade for *Rolling Stone*, but along with 1,300 other enthusiasts attended the 38th anniversary celebration in New York's Statler-Hilton Hotel. Steve Nelson and other Brigade veterans made speeches. Nelson is national commander of the veterans of the Brigade. He has also been identified by Louis Budenz as a Soviet espionage agent.

The official Communist organ *Daily World* welcomed the anniversary, and was not shy about identifying the genesis of the Brigade. "The Lincoln Brigade was not a spontaneous immaculate conception. . . . It had its origin, inspiration, and organizing genius somewhere. That was the Communist Party of the United States."

This kind of thing is usually discreetly overlooked, but it is common knowledge. The Lincoln Brigade was the American unit. Josip Broz, later Tito, a Communist functionary, ran the overall transport operation in Paris. The German contingent was named after Ernst Thaelman, a German Communist, etc.

As the editors of *Rolling Stone* reminded the youthful audience for Gloria Emerson's article, the Lincoln Brigade is a "stirring reminder that Americans did once fight on the side of democracy."

ALAN PARSELL HONORED ON
RETIREMENT

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. McKINNEY. Mr. Speaker, I would like to pause and pay tribute today to one of my constituents, Alan U. Parsell, as he is justly honored by his town this weekend on the advent of his retirement from elected office after 42 years of dedicated public service.

Mr. Parsell first served as a justice of the peace in the 1930's, and then was persuaded to run for the board of education where he remained for 17 years, 7 of which were spent as its chairman. I might point out that these years came at a period of Westport's most rapid growth. Five schools were built, renovated or expanded—always with the aim of providing for the needs of the town with a sharp eye out for unnecessary cost to the local taxpayer.

From the board of education Mr. Parsell then moved to the representative town meeting, a form of government that tries to do just what its name implies: embody the spirit of the New England town meeting through elected represent-

atives when the size of the town makes a true town meeting unwieldy. Throughout the last 17 years thousands of Westporters have enjoyed his Yankee twang making points and comments through anecdotes and speeches—his concern for his town ever evident.

Many who know him feel that this concern stemmed from his profession of farmer and nurseryman. Dealing with things that grow, nurturing them and keeping them pruned from excess—it hardly matters whether you are discussing the shrubs or the town itself.

He says that he is retiring because he is "old and tired" but at the same time I am happy to note that he promises to continue making his voice heard on behalf of what he believes to be the best interests of the town. We will all be the richer for that. This spirit of concern for the community, so perfectly exemplified by Alan Parsell, is the cornerstone of our American democracy.

In closing I can do no better than to quote from an interview that appeared last month in the Bridgeport Sunday Post wherein Mr. Parsell himself summed it all up saying,

I never lose sight of the fact that I'm a damn Yankee.

May his kind increase, and may these years of slightly decreased activity bring him and his wife the time to enjoy at leisure the fruits of his hardy labors.

AMERICA'S THIRD CENTURY

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. HARRINGTON. Mr. Speaker, at a time when mere speculation is often the basis of long-range environmental and energy planning, an optimistic appraisal of the future of natural resources deserves consideration. For it happens that such views tend to illuminate other less apparent yet perhaps more imminent problems we will have to contend with.

Predicting ever-increasing global supplies of food energy sources, and mineral substitutes, Norman Macrae concludes that the crises lurking in our third century will be substantially different from those commonly feared.

I am submitting for today's *Record* the fifth part of Norman Macrae's continuing survey of the American past and future. The author's unique perspective on and insight into our third century give rise to a host of serious questions that I feel cannot be ignored in attempting to draw up some sort of coherent and comprehensive policy for the next hundred years.

The text of the fifth installment of "America's Third Century" follows:

AGENDA FOR WORLD LEADER

(No problems for the future energy, food, minerals. Real problems living too long, and . . .)

On the first day of our Lord, when the

order had gone out from Caesar Augustus that all the world should be counted, there were probably around 250m human beings, with an average annual income per head of \$100 in terms of today's money. On the first day of the United States, on July 4th of 1776, there were probably around 700m human beings, with the same average annual income per head. The world then stood at one minute to dawn after 10,000 years of technological stagnation.

The average Roman citizen in AD 1 seems to have had a slightly higher annual income (guessed at today's equivalent of just under \$300 a head) than his successor citizen 1775 years later in the next great republic (just under \$200 a head for the United States in 1776). The man of 1776 used much the same energy sources as the man of AD 1 (animal muscle, wind and water): he could travel much the same tiny maximum distance per day; he used much the same materials for tools (wood and iron) and had much the same average expectation of life (to his late 30s or early 40s), although Rome's standards of big-city-sanitation were better. Rome reached a population of a million, which no subsequent city dared to do until London after 1800, because the million-people-megalopolis did not seem safe under post-Roman but pre-1800 standards of cleanliness, plague control, law and order protection, and unmechanized transport of peasant or feudal agriculture's products into the towns. The two really big technological advances between AD 1 and 1776 were in killing power (gunpowder by 1776 had several times the killing area of arrows) and information technology (Gutenberg's printing press after 1441 increased the circulation potential of each written word several hundredfold).

Then shortly after 1776, all the charts scattered through this survey took off with a whoosh.

Between 1776-1975 world population has increased sixfold, real gwp eighty fold, the distance a man can travel a day between a hundredfold and a thousandfold, the killing area of the most effective megadeath weapon over a millionfold, the amount of energy that can be released from a pound of matter over 50 millionfold (with much more to come) and the range and volume of information technology several billionfold (although how do you compare the range of an orator's voice in 1776 with Neil Armstrong's telecast from the moon to everybody's drawing room, or an abacus with a computer?)

GROWTH TO COME

Note that the things which cause gwp to increase (potential energy, information technology, etc.) have already increased by thousands or even millions of times more than gwp itself, so that there is a lot of existing technology still to work through to living standards as well as even more technology to come. In 1975, when it is fashionable to forecast that world growth is about to stop technological realism suggests that growth is more probably at an early stage of an extraordinary acceleration.

The eightyfold increase in real gwp since 1776 has been based on man's increase in control over matter and energy, at a pace that has risen in each of the last 20 decades after having stood still in the previous 10,000 years. To this matter-cum-energy-revolution there has been added in the past two decades a breakthrough in the processing of information (computers, etc) and a nascent breakthrough in the distribution of information (telecommunications by satellite, the beginnings of packaged and computerised "learning programmes", maybe even at last a start towards understanding of the learning process itself).

During 1950-73 real gwp was increasing at

an annual average 5%, which meant that it doubled about every 14 years. It will be surprising if during most of America's third century 1976-2076 the world does not have the potential to grow considerably more quickly than that. But note, first, that even if only 5% annual growth were continued then by 2045 today's \$5½ trillion gwp would be over \$350 trillion. My guess is that by 2059 world population might be around 15 billion, and people probably would not want a gwp much higher than that trebling for every human of America's present gwp per head. Note, second, from Table 1 the distribution of income with which the world starts. Two-thirds of mankind are still living at pre-1776 levels of under \$300 a head. The other third of us have average incomes between five and 25 times as high. Trillion in this survey means, in the American language, one million million; and billion means a thousand million.

There is a temptation to preach to any world leader from Table 1 on the way in which he should determine to help distribute these many chickens for every pot. But what may stop them from being hatched?

American ecologists—who for some reason think that all the post-1776 charts which have risen with a whoosh will now drop with a whoosh—say growth is going to be stopped by a shortage of energy, food and raw materials (especially metals) plus high pollution and high birth rates. These seem, in fact, the five least likely forecasts for the next 20 years. Instead, the three biggest worries over the next three decades may be: a fall in the old people's death rate, a growth in mass-killing-power, and the danger that new knowledge will expand out of control. But consider the five red herrings first.

TOO MUCH ENERGY, NO POLLUTION

There are many thousand possible ways of releasing energy from storage in matter. They range from petty ways, like 25 BTU's per pound of matter by letting a pound of elastic bands untwist; through fairly petty ways, like 20,000 BTUs by burning a pound of petrol; through more sophisticated ways like 250 BTUs from the fission of the U-235 isotope in one pound of natural uranium; up to 260 thousand billion BTUs from the fusion to helium of a pound of hydrogen. Note that this last system, in which the waters of the oceans could serve as a limitless reservoir of fuel, would be over 10,000,000,000 times more effective per pound of matter than burning a pound of the Arabs' oil.

The trend since 1776 has been for new technology to drive on in sudden bursts towards the cleaner power sources nearer the top of the range. The present "energy crisis"—i.e., the raising to 100 times its marginal cost of the asking-price for the inconvenient mineral slime that is temporarily considered the most transportable energy source—must make the next burst a bit faster. The likely speed of the coming glut in oil might best be gauged by the speed with which other sources were displaced when oil became cost-effective (oh, those poor interwar coalminers and horses), by the range of known future alternatives (unprecedented, including fusion, solar, geothermal, ocean-gradient, renewable-cellulose-into-clean-alcohol, a lot of others) and by the inefficiency with which all industrial countries have used fossil fuels (generation, storage and transmission mechanisms have long been archaic).

A big advantage is that each new energy source tends to be much less pollutant than the last one. A horse dragging a cart through an urban mile emits 600 grams of solid pollutant and 100 grams of liquid pollutant; a motor car emits only 6 grams of pollutant of any sort; a battery-driven car will emit . . . ? Pittsburgh and London peacoup fogs have largely disappeared with soft King Coal.

TABLE 1.—GROSS WORLD PRODUCT

	Population (million)	Total GNP (billion)	GNP per head	Annual GNP growth 1960-73 (percent)
United States.....	215	\$1,500	\$7,000	4.
Other industrial (West Europe, Japan, etc.).....	550	2,300	(1)	From 3 (Britain) to over 10.
Middle class (Communist Europe, Mediterranean, some fast developers).....	550	850	1,550	5 to 10.
Oil countries.....	150	200	(2)	Erratic.
Poor countries.....	2,550	650	250	Generally around 5.
Total.....	4,000	5,500	1,400	

¹ From \$3,300 (Britain) to \$7,000.

² From \$300 (Nigeria) to over \$10,000.

Note: Annual total GNP growth from 1960-73, generally around 5 percent.

THE COMING GLUT OF FOOD

The present world political system is that nearly all poor countries (under an annual \$500 a head) rig their economic policies against their farmers—and then find that the universally-high elasticity of supply in agriculture means that their countries are very short of food; while nearly all rich countries (over \$1,000 a head) rig their economic policies in favour of their farmers—and then find that the universally-high elasticity of supply in agriculture saddles them with butter mountains. Over the next three decades most countries will move above the \$1,000 a head mark, and we will suddenly find ourselves swimming in food gluts.

Shortages in food supply per head of local population are not nowadays well correlated with soil conditions. India-Pakistan-Bangladesh, the most tragic area, has more arable land than the United States, great ability for multiple cropping, a more bountiful water supply. More interestingly, the elasticity of food supply (ie, the usual % rise in supply in response to a % rise in real price) is not nowadays well correlated with social conditions.

In the five years after 1965 there were huge increases in wheat and rice yields in India-Pakistan (aided by the politicians' temporary emphasis on agriculture, by favourable terms of trade for petroleum-based fertilisers, by the green revolution, maybe by good weather), so that India temporarily became self-sufficient in agriculture. If these increases in yields had been continued for a century, the world would have been destroyed because its entire surface would have been covered by rice to a depth of three feet. But then Indian and Pakistani politicians turned to concentrate their budgets on more bell-cose things, and higher energy prices moved the terms of trade against the farmers.

Agriculture in the rich countries is now uneconomically energy-intensive, so it is easy for those who count in megajoules to say there is wild exaggeration in the argument that if all the land now cultivated were brought up to Dutch standards of efficiency, then the world could feed 60 billion people, 15 times today's population. Instead, there is understatement. This estimate refers only to the tiny 3% of the globe's surface that is now farmed. It ignores the fact that in most poor countries there has not been a serious "green revolution" study of the best methods and crops. It underestimates the fact that 70% of crops in some poor parts of the world are eaten by easily-destroyable pests. It takes no account of the way plant growths can already be increased between tenfold and a hundredfold in plastic greenhouses or other scientifically-controlled chambers free of diseases and pests. And the chemical equivalent of outdoor protection by plastic greenhouses is bound to come.

Above all, it ignores the waste in the present extraordinary agricultural system of turning grain into meat through very inefficient livestock converters.

The world's pigs today eat seven times more primary protein than the world's North Americans. The world's horses (now often a recreational animal) eat more than its Chinese. The world's cows (a third of them Afro-

Asian nonproducers) eat more grain than all the world's people. With apologies to cows, our children will move to rearing food by conversion of cellulose by enzymes and of petroleum wastes by single-cell high-protein organisms. Listen to America's J. Leon Potter:

"A pound of bacteria, feeding on crude oil so worthless that it is burned as waste, can grow fast enough to produce 10 pounds of protein in a day. If a yearling calf were able to manufacture protein at the same rate, it would end the day roughly the size of a three car garage and it would have consumed several tons of expensive grain in the process. The cost of protein produced from waste effluents is approaching 3 cents/pound, compared with agriculture and animal protein at 10 cents/pound. Algae produces protein at a rate of 30 to 50 tons/acre/year, compared with the conventional agriculture of 3 to 5 tons/acre/year."

Will this food from bugs be made palatable? Unfortunately, yes. It is already possible to make sewage taste like stew.

The real food problem for the future is rich men's habit of eating more food than is good for health, partly because of the accident that "entertaining", both social and business, has morbidly become attached to this natural function, rather than to the two that are assumed to be more disgusting than a drunken guzzle (defecation and sex), or than to the civilised Roman one. It will be wise in this next century to go back to holding social gatherings and informal business negotiations in what could now be various exciting sorts of baths.

ON YOUR METALS

Five of the world's 16 main metals are in virtually limitless supply (iron, aluminium, magnesium, titanium, silicon). Four others are subject to continuing improvements in the mining process, and the next will be the big step of just picking up nodules from the ocean floor (copper, cobalt, manganese, nickel). That leaves seven whose long-term prices might rise sharply if today's "known reserves" were the most economic way of mining them (chromium, lead, zinc, tin, gold, silver, mercury). But the whole anti-intellectual concept of talking about "known reserves" of anything, including oil, is often the last refuge of the scoundrelly oil company's public relations officer. Listen instead to Professor Wilfred Beckerman:

"Given the natural concentrations of the key metals in the earth's crust, as indicated by a large number of random samples, the total natural occurrence of most metals in the top mile of the earth's crust has been estimated to be about a million times as great as present known reserves. Since the latter amount to about a hundred years' supplies this means we have enough to last about one hundred million years. Even though it may be impossible at present to mine to a depth of one mile at every point in the earth's crust, by the time we reach the year AD 100,000,000 I am sure we will think up something."

Other rather obvious points: the world does not actually consume metals at all, but employs them in ways that make them available for re-use after anything between 3 and

25 years (ie "known reserves" should include all the already-used metals eventually available for recycling); most of the industrial materials used today were not even conceptually recognised a short time ago, and most of the materials that will be used in the coming century are not conceptually recognised today; substitutions through plastics, etc, will hugely increase; and microminiaturisation with integrated circuits means that it is going to be increasingly economic to put on to a chip the size of a postage stamp properly connected electrical circuits which would previously have required assemblies of machinery that fill a room.

One mineral probably is going to be short for a while, because countries have foolishly made it a free good; water.

POPULATION: THE FIRST WORRY

At last year's World Population Conference in Bucharest, the United Nations Secretariat presented a World Plan for Action (on which it had been working for years), calling for a reduction of world population growth to 1.7% a year by 1985. Nobody liked to point out that world population had probably fallen to 1.7% a year already.

The anti-baby hysteria of the 1960s was a classic of trendy innuendo. It came after a fall in fertility rates had been made certain by the breakthrough in both birth control technology (the pill, etc.) and in birth control attitudes (acceptance of abortion and of papal fallibility). By 1972 the World Bank was already reporting a decline in fertility in 56 of the 66 countries for which meaningful data on births are available; but those whose jobs depended on the continued organisation of the anti-baby World Population Year pressed on regardless. The result will now be a risk of emotion the other way. It is already fashionable to say that the present 4 billion world population will still be under 6 billion by the year 2000. This is probably wrong, because the next problem has not been foreseen.

Awkwardly, medicine is bound eventually to make a breakthrough in curing the main degenerative diseases, so that old people will start to exist longer. This will set the real population problem. As the death rate drops, mankind will probably have to move towards acceptance of euthanasia and even planned death (with a hell of a going-away party on your 85th birthday?).

My guess is that mankind will accept this smoothly. Witness how abortion was a word you could not mention to auntie 15 years ago, but today any woman could get an abortion in most cities by next weekend. It will not be at all surprising if there is in some quite near decade-and-a-half a similarly swift and equally civilised dash to acceptance of killing off old codgers (by then, like me) as there has been, in so short a twinkling, towards the more emotive act of killing unborn babies. Acceptance of planned death means that mankind must then surely alter all the lifestyles for all the ages of present individual existence as well.

But this had better be discussed later, after first pondering whether the real dangers of 1976-2076 will allow mankind lifestyles at all.

REPUBLICANS AND TAXES

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. PHILLIP BURTON. Mr. Speaker, we Democrats are frequently accused of overspending and being careless with taxpayers' money.

I am inserting for the RECORD an article from the Service Union Reporter of California, September 1975, about one of those who most frequently proclaims his fiscal purity and how he protects the taxpayer.

Text of article follows:

TAXES HURT EVERYONE EXCEPT RONNIE, BABY—AND THAT COSTS THE REST OF US MORE

Remember that fellow who said that taxes should hurt? He said that if taxes hurt, the taxpayers would zero in on all those wild spenders in Congress, state legislatures, city and county government, and force them to keep taxes down.

Well, Ronald Reagan surely can't complain that taxes hurt him no matter what he once said. It was just a couple of years ago that it was revealed that he paid no state income taxes despite the tens of thousands of dollars he took in one of the years he was governor. He found some loopholes, just as Nixon attempted to do, and made sure that taxes hurt someone else, but not Ronnie, baby.

Now the former governor is back at his same old tricks making sure that he's not hurt even though every cent he doesn't pay has to be made up for by someone else. And guess who that is? You and I, that's who.

Reagan recently bought a 664 acre ranch up in Santa Ynez in Santa Barbara County. According to figures published in the news media, the property is worth more than \$500,000. That figures out to about \$753 per acre which seems reasonable for valuable Santa Barbara County land.

The new Reagan spread, where he can play cowboy once again while he plots out ways to destroy Social Security (have you heard his radio broadcasts lately?), is valuable enough to be put up as security for \$486,000 in loans. The fact that banks would put up that much money on that ranch as security indicates that the land is worth even more than the half million Ronnie paid for it.

But now comes the kicker. Despite the value of the property Reagan has found another loophole and he is paying almost no property taxes. So guess who's making up the difference in Santa Barbara. The other guys like you and me, that's who.

Reagan has signed a trust agreement setting his land aside as an agricultural preserve which says he won't develop the land or plow it up and plant something, which he never intended to do anyway, and so he only has to pay taxes on the buildings and the small part of his ranch they stand on. That might seem fair enough if the appraisal were reasonable and if the land were opened up for the use of the other citizens of the state for riding and roughing it.

Well, Ronnie has evidently found a friend in the tax appraiser's office. We have been told that the living quarters on the Reagan rancho are a rambling Spanish style abode and have barns, stables, and a few conveniences like a swimming pool and a tennis court. The records in Santa Barbara indicate that Reagan's \$500,000 investment has an assessed value of only \$11,530, and his tax bill is only \$1,108. That means that the former governor is paying just about what

the owner of a \$40,000 home has to come up with.

None is suggesting that there is anything illegal in what Reagan is doing. But there is something just a little immoral in someone running around saying that taxes should hurt and then making sure that the guy getting hurt is someone else.

Of course there are similar legal tax loopholes which allow insurance companies, banks, oil interests, and other big wheels to pay far less than their fair share. But that doesn't make it right and it doesn't make Reagan fit for any public office. Someone once said that "Reagan believes in the minimum wage and he wants it to be as minimum as possible."

He has the same feeling about his taxes.

Preferential treatment on tax bills is what makes taxes for all the rest of us so high. If all the loopholes were closed and everyone were paying a fair share of the burden of government we wouldn't have politicians claiming that it is the high wages of public servants which has caused all the trouble in our cities.

Our problems would be much less if the politicians like Ford and Reagan were not rigging everything for the rich and killing the rest of us with inflation and unemployment.

There are those who say that all the problems of inflation go back to the last Democratic president, LBJ. Well, look at the record. When Nixon took over in 1969, unemployment was less than three percent and the inflation rate was less than four percent. When Nixon left office, unemployment was 6.8 per cent and inflation was twice as high. When we last looked at the Ford record we saw that over ten per cent of California workers were unemployed and inflation has averaged about 15 per cent for his 13 months in office.

Well, in his domestic policies, Reagan is even more rich man oriented than Ford. He is the living proof that politicians should be forced to reveal their income tax returns before being allowed to run for office.

FARMERS ARE CONSUMERS

HON. KEITH G. SEBELIUS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. SEBELIUS. Mr. Speaker, the following is the eighth in a series of 10 messages sponsored by Far-Mar-Co Inc., Hutchinson, Kans., in U.S. News & World Report to stress the importance of a vigorous and reliable market for farm products. The farmer, like any other businessman, attempts to maintain a balanced checkbook and tries to make ends meet. It is often forgotten that farmers are faced with fixed and variable operating expenses, payments for costly machinery, buildings, and land along with high grocery bills. The article follows:

A FARMER BY ANY OTHER NAME IS A CONSUMER

Whether you're a city-consumer or a farmer-consumer, "consuming" is getting more and more expensive.

And whether you're a city-consumer or a farmer-consumer, you have grocery bills, clothing bills, gasoline bills, utility bills, and a variety of other bills.

But in addition to all of those bills they have in common, a farmer-consumer also has tractors, combines, trucks. And seed, fertilizer, herbicides, pesticides. And irrigation equipment, grain bins, silos, barns.

So when you think of consumers. Remember there are no geographical boundaries. The American farmer is paying the price just like his city counterpart.

But he can continue to pay it only if he receives a fair return on his investments. So let's not take him for granted.

AN ALARMED CITIZENS' VIEW OF THE NATIONAL DEBT

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. HAMMERSCHMIDT. Mr. Speaker, I have recently had the good fortune of receiving some very well-taken and well-reasoned viewpoints on the national debt, from the point of view of my constituent, Mr. Russell T. Purdy, of Fayetteville, Ark.

Mr. Purdy's thoughts on this subject are enlightening and offer much insight into the issue of fiscal integrity and responsibility. They reflect a good deal of commonsense, which is the most vital ingredient necessary in the effort to harness the runaway public debt that so threatens the Nation's future economic stability.

I echo the sentiments expressed by my constituent and I submit them for the consideration of my congressional colleagues. I believe the sound and commonsense views expressed could and should serve as meaningful guideposts for the Congress to follow.

Mr. Purdy's remarks appear below:

AN ALARMED CITIZEN'S VIEW OF THE NATIONAL DEBT

When I say to young adults that they are still paying interest on a dollar borrowed by the Government in 1932 and that this dollar has doubled to two, redoubled to four and again perhaps eight, on which they are now paying interest, most are disbelieving and some have said, "OH, NO—they wouldn't let a thing like that happen."

When I tell them that the Government plans to go deeper in debt by 71 billion dollars this fiscal year and that this increase is at a rate of almost 200 million dollars a day and that in July it was actually 350 million dollars a day, including Saturdays, Sundays and holidays, they look at me in stunned disbelief and usually shake their heads in total inability to comprehend such staggering figures.

Next I show them a graph (Exhibit No. 1) of national debt plotted against time, explaining that the 24 billion debt of 1920 resulted from World War I and that we wisely started reducing this debt so as to enhance the nation's credit against another emergency, which soon came along as the great depression of 1929. From 1932 on the debt, with a few minor exceptions, has constantly increased until today it stands at about five hundred billion, one-half of a trillion dollars.

It is planned to increase the debt this fiscal year to five hundred and fifty billion, the interest on which will be about a hundred million dollars a day (a hundred million dollars a day borrowed to pay interest on borrowed money!)

The sudden upturns resulting from World War II and the Viet Nam fiasco are apparent, but nowhere do we show any tendency to shore up the nation's credit by reducing this debt, even in times of great prosperity. In

fact, I cannot recall ever having heard a responsible candidate campaign on a platform of paying off this debt. It seems probable that nobody intends ever to pay it off and therein lies disaster.

Let's assume that we realize our peril and have the fortitude to go "cold turkey", quit borrowing for our living expenses and borrow only to support the present debt.

The interest alone will kill us for the debt will double approximately each ten year period, going from 500 billion today to one trillion in ten years, to two trillion in twenty years, and to four trillion in forty years, etc.

Awesome and horrible as the thought is at first glance, it would be less bad to print paper money than to print paper I.O.U.'s that nobody intends to repay, for we would have to pay interest on the I.O.U.'s.

It seems reasonable to use the last twenty-five years of our curve as reference in determining trends. With some small exceptions it is an ever upward curve at an ever increasing rate, so much so that at the right end it is approaching the vertical. This 25-year portion is shown in Exhibit No. 2, plotted to the same scale and starting at the then existing debt of 250 billion dollars, itself a staggering burden. The dashed portion represents an attempt to extend the curve into the future, using past performance, and this year's planned debt increase as criteria and remembering that the interest on the debt will be on the order of 35 billion a year at the start.

If we do not mend our ways and this forecast proves accurate we will double, in four or five years, the national debt accumulated in almost 200 years and the curve will be standing in an almost upright position.

I can almost hear someone say "What do I care if it does become vertical?" Theoretically, it can't become vertical but it can approach the vertical so closely that for all practical purposes it is upright.

When this occurs the cost of borrowing for an additional year, moving to the right on the time scale, becomes so astronomically great on the debt scale that further debt becomes unrealistic, even impossible.

With no way to borrow money the government would be forced to live within its income and would be impossibly handicapped in time of war or other major emergency. The results could and might well be a collapse, not depression but collapse, such as was experienced by Germany.

My friends have said "Oh, well, we'll just cancel everything and start over." Easy now, it's just not that simple for, in such a calamity, we could well be forced into another form of government. It would be far better to straighten out this mess now, cure our currency ailments and keep the government we have than to risk the possibilities inherent in a collapse.

Now please allow me to attempt to illustrate this predicament in the manner of the cartoonist. Customarily, positive figures are plotted above the horizontal axis and negative values below. Now if there's anything more negative than debt I'm at a loss to know what it is, so let's plot the last twenty-five years properly, below the horizontal line as shown in Exhibit No. 3.

Now please imagine with me that this curve represents a river flowing to the right and we are in a boat at the start of the flow (1950) on the left side. It was easy to drift with the current, borrow money and let the future take care of itself. Now we are at a point on the far right, well over the top of fall and almost to the point of vertical drop wherein we will become unstable in that we cannot help ourselves and we collapse as a unified nation and become a mob of panic stricken individuals.

We still have a life line aboard that will enable us, if we are willing to pull hard enough, to swing over to the bank of the stream and

begin our long, toil, tears and sweat, trek back up and over the edge of the bluff.

We are well past the danger zone and are swiftly approaching the area where we become unstable and go over the falls. It is now time to pour cold water on all internal selfish governmental squabbling, to throw aside all partisan politics and join hands as statesmen to lead the nation back toward the path of fiscal common sense.

REINTRODUCTION OF THE DISPLACED HOMEMAKERS ACT

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mrs. BURKE of California. Mr. Speaker, today I am reintroducing the Equal Opportunity for Displaced Homemakers Act—H.R. 10272—with 40 cosponsors. I am pleased to have my colleagues join me in supporting this legislation to help displaced homemakers make it through a readjustment period so that they may become self-sufficient and productive members of society.

At this time I would like to insert into the RECORD a list of the cosponsors of the bill and an excellent article about the plight of the displaced homemaker by Marguerite Sullivan which appeared recently in the San Diego Union:

EQUAL OPPORTUNITY FOR DISPLACED HOMEMAKERS ACT COSPONSORS

Bella Abzug (New York).
Michael Blouin (Iowa).
George Brown, Jr. (California).
John Burton (California).
Charles Carney (Ohio).
Shirley Chisholm (New York).
Cardiss Collins (Illinois).
John Conyers (Michigan).
Ronald Dellums (California).
Don Edwards (California).
Joshua Ellberg (Pennsylvania).
Harold Ford (Tennessee).
Donald Fraser (Minnesota).
Michael Harrington (Massachusetts).
Augustus Hawkins (California).
Henry Helstoski (New Jersey).
Robert Kastenmeier (Wisconsin).
Martha Keys (Kansas).
John LaFalce (New York).
Andrew Maguire (New Jersey).
Ralph Metcalfe (Illinois).
Parren Mitchell (Maryland).
Joe Moakley (Massachusetts).
John Moss (California).
Robert Nix (Pennsylvania).
Richard Ottinger (New York).
J. J. Pickle (Texas).
Frederick Richmond (New York).
Donald W. Riegle, Jr. (Michigan).
Peter W. Rodino, Jr. (New Jersey).
Benjamin Rosenthal (New York).
Edward Roybal (California).
Leo Ryan (California).
Stephen Solarz (New York).
Gladys Spellman (Maryland).
Fortney (Pete) Stark (California).
Henry Waxman (California).
Richard Vander Veen (Michigan).
Charles H. Wilson (California).

[From the San Diego Union, Oct. 24, 1975]

"DISPLACED HOMEMAKER" SEEKS A HAND
(By Marguerite Sullivan)

WASHINGTON.—The letter from the "Ex-Housewife," as she called herself, was filled with bitterness:

"I was a housewife for 30 years and now

find myself alone at 51 wondering if I must go into someone's home and raise their family in order to live."

Recently she took an occupational training program in retailing through a local high school in her Southern California suburban city, she wrote—"only to be told there was no store for the on-the-job part of the training. The high school students were all placed in stores, however."

"P.S. I am healthy and not overweight, so that cannot be the employers' excuse for discrimination regarding the training program. It is age."

The woman is a "displaced homemaker." It is a new term for a not-so-new but growing problem: middle-aged women, homemakers most of their lives, usually dependent on a husband for income, who suddenly find themselves alone because of divorce or widowhood.

EMPLOYMENT BARRIER

Displaced homemakers have little or no work experience. When they go to look for a job, they find age and sex discrimination, combined with lack of job experience, an almost insurmountable barrier.

They don't qualify for unemployment insurance. They often are not eligible for Social Security benefits because they are too young. If divorced and unmarried less than 20 years, they never will qualify for benefits from their former husband's earnings.

They are not entitled to benefits under federal welfare assistance (aid to families with dependent children) if their children are over 18.

They may, especially if divorced, have lost their beneficiary status under their husbands' pension and health plans, and be too old to readily receive private health insurance.

"The loss of the wage earner in their family leaves them in a state of despair, with few resources and no one to turn to, with the knowledge they need to start new lives," said Sen. John Tunney, D-Calif., who along with Rep. Yvonne Brathwaite Burke, D-Calif., has introduced legislation to assist the displaced homemaker. Mrs. Burke introduced her bill in May, Tunney his in September.

BASIS OF LEGISLATION

Both legislators are reintroducing, with changes, an Equal Opportunity for Displaced Homemakers Act. The two bills, which have some differences, were developed from proposals from the National Organization of Women (NOW) and its Task Force in Older Women. NOW is also responsible for many of the changes.

Under the redrafted legislation, the secretary of Health, Education and Welfare could establish programs to provide outreach, counseling and information and referral services to insure the health, welfare and income capabilities and employment of the displaced homemaker. The services could be direct or referral depending on resources available in the community.

Tunney's measure would be a pilot program, limited to 20 to 30 centers around the country with a \$2.5 million funding ceiling for each of the two years of the legislation. Mrs. Burke's measure would put no numerical or financial limitations on the centers.

Under both bills, the HEW secretary would be required to make a report evaluating the program to Congress. Mrs. Burke would like the study to include the eligibility of displaced homemakers for unemployment insurance.

A similar measure, sponsored by state Sen. Jerry Smith, D-San Jose, which will establish a demonstration displaced homemakers center in Alameda County, was signed last month by Gov. Brown.

No one knows just how many displaced homemakers exist. Tunney said, however, that, according to NOW figures, they num-

ber three million. Mrs. Burke said the number could be as high as six million.

"We must realize that 47 per cent of California women who are 35 years or older are widowed or divorced, more than 155,000 Californians living below the poverty level are in female-headed households, and there has been an increase of 46 per cent in the number of households headed by women in the last 10 years," Tunney said.

Nationwide, figures from the Commerce Department show that in 1973 (the latest year available), of women between the ages of 45 to 54, 7.7 per cent were widowed and 0.3 per cent were divorced.

For men at the same ages, it was 1.2 per cent and 3.9 per cent respectively.

Of women between the ages of 55 to 64, 21 per cent were widowed and 4.5 divorced. Of men between the same ages, the figures were 4.1 per cent and 3.4 per cent.

Linda Teiveira, chairman of the Washington chapter of the Alliance of Displaced Homemakers and the leaders of the legislative campaign for women's groups around the country, said one major accomplishment of the bill would be to get homemaking recognized as a skill.

"These are people who have not been recognized by the employment market. Homemaking simply is not recognized as a legitimate kind of work."

"But it should be, because the home-making skills are being additionally required by the society," she said.

"Day-care centers are proliferating, care for the aged increasing, handicap programs are growing. All of these could use homemakers."

"But now they are not, because no one recognizes the homemakers' skills," Miss Teiveira said. "Take day-care legislation."

"The legislators think always of 'professionals' running the centers. They don't think of the people who brought the legislators up—their mothers. Who is more professional than a mother?"

REVENUE SHARING

HON. DAVID F. EMERY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. EMERY. Mr. Speaker, the following resolutions express my sentiments and those of my constituents with regard to the revenue-sharing program in the State of Maine. No further discussion is needed, as these resolutions speak for themselves. The resolutions follow:

REVENUE SHARING RESOLUTION

Whereas, County governments in nearly half of the states budget from July through June and all counties must make long term budget commitments to efficiently meet the needs of their citizens;

Whereas, Counties depend on general revenue sharing dollars for essential county programs;

Whereas, Revenue sharing dollars enable counties to fill locally determined vital needs with minimal redtape and federal restrictions;

Whereas, Efficient county government calls for well-planned advance budgeting;

Whereas, Responsive county government depends on efficient county planning and budgeting and ample time for citizen participation;

Whereas, The current revenue sharing program expires December 31, 1976 and July

through June fiscal year counties must begin budgeting the previous spring;

Therefore, be it resolved by Waldo County, that general revenue sharing be re-enacted by the first session of the 94th Congress providing counties with advance dollar figures that can be used for efficient, responsive planning of programs and budgets and that can be identified for more than half of their fiscal '76 year and can be incorporated in long term effective planning.

Be it further resolved that a copy of this resolution along with the summary report be immediately forwarded to the Senate and the House of Representatives.

SUMMARY REPORT

Waldo County, population 23,328, has received \$212,349.00 in revenue sharing funds since 1972.

These funds have been used to provide a County Detention Center and to keep an already high county property tax from being raised.

The county's planning of the budget begins in June 1976 for the biennium starting January 1, 1977 through December 31, 1978. The county adopts the budget by November of the year prior to the beginning of this period. Therefore, Waldo County must know about revenue sharing funds well in advance in order to make plans for expenditure of the funds.

Without revenue sharing funds Waldo County would be forced to cut back services, lay off employees and raise property taxes by 20 percent.

REVENUE SHARING RESOLUTIONS

We, the Knox County Commissioners, have met and passed the following resolutions:

Whereas, County governments in nearly half of the states budget from July through June and all counties must make long term budget commitments to efficiently meet the needs of their citizens;

Whereas, Counties depend on general revenue sharing dollars for essential county programs;

Whereas, Revenue sharing dollars enable counties to fill locally determined vital needs with minimal redtape and federal restrictions;

Whereas, Efficient county government calls for well-planned advance budgeting;

Whereas, Responsive county government depends on efficient county planning and budgeting and ample time for citizen participation;

Whereas, The current revenue sharing program expires December 31, 1976 and July through June fiscal year counties must begin budgeting the previous spring;

Therefore, be it resolved by Knox County, that general revenue sharing be re-enacted by the first session of the 94th Congress providing counties with advance dollar figures that can be used for efficient, responsive planning of programs and budgets and that can be identified for more than half their fiscal 1976 year and can be incorporated in long term effective planning.

Be it further resolved that a copy of this resolution along with the summary report be immediately forwarded to the Senate and the House of Representatives.

SUMMARY REPORT

Knox County, population 29,013, has received \$170,316.00 in revenue sharing funds since 1972.

These funds have been used for operating maintenance in the categories of Public Safety, Public Transportation, and Financial Administration; for capital expenditures under Multipurpose and General Government; and to keep an already high county property tax from being raised.

The county's budget year begins in January and the budget cycle starts in October

and culminates with adoption in the spring. Therefore, Knox County must know about revenue sharing funds well in advance in order to make plans for expenditure of the funds.

Without revenue sharing funds, Knox County would be forced to cut back services, lay off employees and raise property taxes by 10 to 15 percent.

MAINE COUNTY COMMISSIONERS ASSOCIATION

Whereas, County governments in nearly half of the states budget from July through June and all counties must make long term budget commitments to efficiently meet the needs of their citizens;

Whereas, Counties depend on general revenue sharing dollars for essential county programs;

Whereas, Revenue sharing dollars enable counties to fill locally determined vital needs with minimal redtape and federal restrictions;

Whereas, Efficient county government calls for well-planned advance budgeting;

Whereas, Responsive county government depends on efficient county planning and budgeting and ample time for citizen participation;

Whereas, The current revenue sharing program expires December 31, 1976 and July through June fiscal year counties must begin budgeting the previous spring;

Therefore, be it resolved by Sagadahoc County, that general revenue sharing be re-enacted by the first session of the 94th Congress providing counties with advance dollar figures that can be used for efficient, responsive planning of programs and budgets and that can be identified for more than half of their fiscal '76 year and can be incorporated in long term effective planning.

Be it further resolved that a copy of this resolution along with the summary report be immediately forwarded to the Senate and the House of Representatives.

ACTION OVERDUE ON EXTENDED FISHING LIMIT LAW

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. HUGHES. Mr. Speaker, I would like to bring to your attention an issue which calls for immediate congressional action. Unless legislation providing for a 200-mile limit is enacted in the near future, there will not be any fish left to protect.

Mr. Frank McGrew aptly discusses the situation in an article that appeared in the Sunday, November 16, issue of the Atlantic City Press. In an interview he had with Mr. Whittaker, spokesman of the recently established National Oceanographic and Atmospheric Administration, Mr. McGrew learned that within a few months, if the current situation continues, the foreign fleets will deplete our supply.

I urge the Senate to get this much-needed bill to the floor. The time has come for the bill to be made law. Delays at this point will only bring irrevocable harm.

The article follows:

ACTION OVERDUE ON EXTENDED FISHING LIMIT LAW

(By Frank McGrew)

The good news: there are not as many foreign fishing fleets off the Jersey coast this

year. The reason why, however, is the bad news: there's not as much fish as there used to be.

The offshore fishing situation is getting much worse and, according to a federal expert in South Jersey, unless the present 12-mile limit is extended in the next few months, there won't be any fish left.

The federal official is Special Agent Richard Whittaker of the National Oceanographic and Atmospheric Administration which established an office recently in Cape May.

A month ago, Whittaker said fishing stock was already depleted, primarily because of foreign fishing fleets. If the 200-mile limit is not established soon, he said, there won't be any fish left to protect.

Words like that sink pretty deeply into South Jersey residents.

The bill to extend the present 12-mile limit to 200 miles that passed the House earlier this month is now before several Senate committees. Although there is no way to know for sure, it should come to the Senate floor for a vote. Even if it passes, however, it is likely that President Ford will veto it. Whether the veto could be overridden, remains to be seen.

Why the opposition from the administration and some senators?

The reason is that they want the matter settled internationally, at the United Nations Law of the Sea Conference that will be held in New York City starting in March. Now these conferences have met in the past and they are not noted for taking speedy action on anything. There is no guarantee that the 200-mile limit will ever be accepted at the conference.

The matter of changing the fishing limits can get quite complicated because many other factors also are affected such as navigation passage rights, mineral rights and military operations, to name a few. The administration also says that if the Congress passes the 200-mile limit bill before the conference begins, our position at that meeting will be weakened.

What is taking place now behind the scenes is an attempt to work out some kind of a compromise. There is some talk of changing the date when the new 200-mile limit would go into effect, moving it beyond next July 1.

For some reason or other, no official has mentioned some kind of a more gradual change in the mileage limit. For example, rather than go directly from 12 to 200 miles, go to 50 and then a certain time later to 100, finally reaching 200 after a longer period of time.

Of course, it is too much to expect that the nations that are scooping up the fish off our shores—mostly Iron Curtain countries—would take any kind of voluntary action to restrict their catches.

Without question, the majority in the Congress realize the gravity of the situation. It is difficult to believe that some kind of definite action the public can appreciate will not be taken this year.

MILLER PRAISES DR. HERBERT COLE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. MILLER of California. Mr. Speaker, yesterday the House passed by an overwhelming vote the bill S. 6, the Education for All Handicapped Children Act of 1975. I was privileged to work on this bill as a member of the Subcommittee on Select Education, chaired so ably by our distinguished colleague from Indiana, JOHN BRADEMAS.

During the course of the hearings and consideration of the House bill, it was obvious that there are dedicated and highly capable men and women throughout our country who are involved with special education programs and anxious to expand their efforts to reach previously unserved or underserved children.

One of these teachers is Dr. Herbert M. Cole, the assistant superintendent for special schools and services of the Mount Diablo Unified School District, located in Concord, Calif. In just 1 year, Dr. Cole has reorganized and revitalized this valuable program which, I believe, can serve as a model for other special education programs throughout the Nation.

Since this House has endorsed an accelerated special education program by a nearly unanimous vote, I know that my colleagues will be pleased to read of the accomplishments of the Mount Diablo Unified School District in serving exceptional children, and especially the fine leadership by Dr. Cole.

The article follows:

[From the Contra Costa Times, Nov. 12, 1975]
SPECIAL SCHOOL DIRECTOR REVIEWS HIS FIRST YEAR

(By Alan Fishleder)

CONCORD.—Dr. Herbert M. Cole has survived one year in the Mt. Diablo Unified School District.

By all appearances, the school district has survived Herb Cole, and the two seem better for it.

Cole is the district's assistant superintendent for special schools and services.

In the \$27,132-a-year post he assumed a year ago, Cole administers the district's 13 programs for handicapped students, and serves as chief attendance officer and head counselor.

His verve, vitality, quick wit and subtle toughness, punctuated by a lively smile, have brought changes to the district's special education programs.

But he has performed without significantly adding to his division's personnel rolls.

In fact, the revisions, he says, are aimed at making the most of existing resources.

Speaking candidly during a recent one-hour interview, he reviewed some of the accomplishments during his first year in the sensitive position which affects nearly all of the district's 45,000 students.

"I feel pretty good about it," said Cole, 37, who came to the Mt. Diablo district from the San Bernardino City Unified School District where he was director of special educational services.

In his first year, Cole has reorganized his special services division, which includes reassignment of about 50 per cent of the district's guidance staff.

This frees about \$200,000 for other uses in the district, he says.

A new program for the physically handicapped in the regular day schedule will bring another \$750,000 in income to the district.

Adaptive physical education for the physically handicapped, an expanded foster home program, a new diagnostic center to ease pupils into special programs, and efforts at better coordination in the career education program came with Cole's administration.

A new project for trainable mentally retarded, ages 18 to 20, and a vocational home-making program for retarded are being planned or underway.

The long-range success or failure of Cole's ventures remain to be seen, but he has a philosophy about starting something that will help district students.

"Anything worth doing is worth doing poorly," he says. But this isn't a plea for mediocrity.

His idea is to get things started; get them

moving. "Once you have a house, go ahead and fix it," he says.

Of special interest to the administrator is "the habitual dropout in affluence."

A child, whose parents might hold professional positions and college degrees, but has dropped out of school, would be served by the program.

Cole's entire professional life has been oriented toward special education problems.

The Beaumont, Tex., native began his professional experience in 1959 as a supply officer at the Houston State Psychiatric Institute for research and training. In 1961 he began teaching in the Houston Independent School District.

He joined the San Bernardino schools in 1964 as a teacher and was appointed coordinator of special education in 1967. He became director of special education in 1971.

Cole holds bachelor's and master's degrees from the University of Houston and a doctorate with major in special education and a minor in school administration from the University of Southern California. He has completed post doctoral work in school psychology at USC.

A member of several professional organizations, he is the past president of the California Council for Exceptional Children.

This year he serves on the state Commission on Special Education, and advisory group to the California Board of Education.

PRO-LIFE RESOLUTION

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. CONTE. Mr. Speaker, on November 14, 1975, I received a copy of a resolution passed by the Diocesan Council of Catholic Nurses of the Diocese of Springfield, Mass., accompanied with a letter from their chaplain, the Reverend Thomas M. Courtney. I should like to insert them both in the RECORD.

DIOCESAN COUNCIL OF CATHOLIC NURSES OF SPRINGFIELD, MASS.

November 12, 1975.

Representative SILVIO O. CONTE,
House of Representatives,
Washington, D.C.

DEAR SILVIO: Your secretary in Pittsfield was most helpful when I requested on Nov. 11th the names of the Senators and Congressmen of New England.

I am enclosing a copy of a Pro Life resolution that the New England Council of Catholic Nurses adopted in Worcester on Oct. 25th. This resolution was approved by the Bishops of the 11 (eleven) Roman Catholic dioceses of New England. This resolution will be sent to all the N.E. members of Congress.

Would it be possible to have the resolution included in the Congressional Record at your request?

With best wishes to you and all the members of your family, I remain, an old Pittsfield friend,

Rev. THOMAS M. COURTNEY,
Diocesan Chaplain.

PRO-LIFE RESOLUTION OF THE DIOCESAN COUNCIL OF CATHOLIC NURSES OF SPRINGFIELD, MASS.

Whereas unfortunately the Supreme Court decisions on abortion have created an atmosphere of abortion on request; and

Whereas these same Supreme Court decisions have denied protection of the law to unborn children; and

Whereas the Catholic Church has ever maintained that human life must be safeguarded from the moment of conception; and

Whereas Catholic nurses are vitally concerned with the right to life of all human beings, including unborn children;

Be it resolved, that the New England Diocesan Council of Catholic Nurses in solemn assembly in Worcester, Massachusetts on October 26, 1975 vote to place its spiritual and material resources in Pro-Life activities as its No. 1 priority during the Bicentennial Year 1976.

This resolution was unanimously approved by the entire membership on October 25, 1975 in Worcester, Massachusetts.

It was resolved that the resolution be printed with proper style and mailed to every hospital in New England and to all members of Congress in New England.

This resolution has the endorsement of the 11 Catholic Dioceses of New England. His Eminence Humberto Cardinal Medeiros, Boston.

The Most Rev. John F. Whealon, Hartford.

The Most Rev. Daniel A. Cronin, Fall River.

The Most Rev. Walter W. Curtis, Bridgeport.

The Most Rev. Bernard J. Flanagan, Worcester.

The Most Rev. Louis E. Gelineau, Providence.

The Most Rev. Odore Gendron, Manchester.

The Most Rev. John F. Hackett, Hartford.

The Most Rev. John A. Marshall, Burlington.

The Most Rev. Edward C. O'Leary, Portland.

The Most Rev. Daniel Riley, Norwich.

The Most Rev. Christopher J. Weldon, Springfield.

The Most Rev. Timothy J. Harrington, Worcester.

ONE ALTERNATIVE TO GUN CONTROL

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. MOORHEAD of California. Mr. Speaker, a recent address by Chief Edward M. Davis, of the Los Angeles Police Department has come to my attention. The speech is entitled "One Alternative to Gun Control."

In his speech, Chief Davis points out that although advocates of gun control are claiming that the great increase of crime has been caused by the proliferation of weapons, the statistics do not bear this out. While violent crime had increased from 156.9 per 100,000 in 1955 to 414.3 crimes per 100,000 in 1973, only 15.47 percent of the violent crimes committed in 1973 involved the misuse of guns.

The full text of Chief Davis' remarks are as follows:

ONE ALTERNATIVE TO GUN CONTROL

(By Edward M. Davis)

As this nation stands at the threshold of celebrating its bicentennial, the cause for that celebration, freedom and independence, remains in jeopardy. In fact, we may well be rejoicing at a time when one of our very basic freedoms is being carried away through the back doors of several State Houses and the U.S. Congress. Liberty itself may be withering like a delicate flower at the first sign of frost.

Specifically, several coalitions and individual groups are moving toward an objective of removing all firearms from private in-

dividuals. Under recent legislative proposals, only the government and its designated representatives would be permitted to possess firearms. Oh, the principal item of discussion is handguns, but the objective goes beyond that. The focal point of their argument lies with the view that firearms are the cause of crime because they are a tool of criminals. This may be a simplistic and narrow view, but it is gaining wide acceptance, even though it ignores statistical evidence to the contrary. Since guns are not a significant tool in crime, those seeking an alternative to violent crime, might consider a more workable solution.

While the proponents of gun control utilize comparative data from other nations with relative ease in analyzing gun related crimes, they forget another significant variable in their comparisons. The judicial system in the United States is unique and unlike any other system in the world. Since 1914, our legal system has operated with limited authority under a term called the Exclusionary Rule. Prior to this decision, the admissibility of evidence was not affected by the legality of the means used to obtain it. A criminal could be arrested and prosecuted for a crime based upon all the evidence. The searching methods employed by the arresting officer were not the central issue in these earlier cases.

However, the United States Supreme Court in the Weeks case decided that since federal authorities seized evidence without a warrant and without the consent of the defendant, the evidence, letters in this case, could not be used at trial. The court said, "If letters and private documents can be seized and held and used as evidence against a citizen accused of an offense, the protection of the Fourth Amendment declaring his right to be secure against such searches and seizures is of no value, and so far as those thus placed are concerned, might as well be stricken from the Constitution."

Still, the Weeks case did not have an impact on the actions of local law enforcement officers. It only influenced the actions of federal authorities. However, the Weeks case opened the door to a gradual extension of other decisions, including a case wherein the whole concept of due process under the Fourteenth Amendment was added (Wolf v. Colorado, 338 U.S. 25, 69 S. Ct. 1359).

In 1955, the California Supreme Court adopted the Exclusionary Rule as the only viable method of preventing the police from seizing evidence improperly. The court stated, "We have been compelled to reach that conclusion because other remedies have completely failed to secure compliance with constitutional provisions on the part of police officers with the attendant result that the courts under the old rule have been constantly required to participate in, and in effect condone the lawless activities of law enforcement officers." (People v. Cahan, 44 Cal. 2d 434). In 1961, the United States Supreme Court in Mapp v. Ohio (367 U.S. 643) decided that the Exclusionary Rule applied to every state.

The violent crime rate in the United States at the time of the Mapp decision was 156.9 crimes per 100,000. By 1973, the violent crime rate had grown to 414.3 crimes per 100,000, an increase of 160 percent. If the notion of the advocates for gun control were accepted, that is, firearms are the principal tools of criminals and can be removed from criminal hands, then perhaps we could expect the elimination of all serious crime. However, only 15.47 percent of all violent crime in 1973 involved the misuse of guns. Perhaps the gun control advocates can explain the remaining increase in crime in an equally simplistic fashion. Gun control does not equate with crime control. The adoption of gun control in any form will not prohibit the judicial system from exercising the Exclusionary Rule of evidence, which permits the releasing of criminals back into society.

Prior to the court's use of the Exclusionary Rule, law enforcement was effective at gathering evidence and presenting a case for the trier of fact. The courts themselves were less involved in a complex decision-making process. The primary concern at that time was public safety and with the guilt or innocence of the accused. Both the courts and the police are charged with the responsibility of protecting the community and enforcing the law. Since the full implementation of the court's Exclusionary Rule, the justice system has been preoccupied with the conduct of the arresting officers and seemingly less concerned with the crime or with the suffering of the victim. This is not to imply that members of the justice system themselves are preoccupied with the officers' conduct, but rather to point out one of the major faults of the Exclusionary Rule itself. Ideally, the system should properly balance the rights of the accused with the rights of society. Yet, under the Exclusionary Rule, the public suffers and the criminal escapes punishment on a technicality. The law itself loses integrity when criminals are afforded an easy method of avoiding punishment.

When legal integrity is lost, chaos results. The criminal who escapes punishment commits further illegal acts and further victimizes the community. It seems that a higher social value is placed on protecting the "rights" of the criminal than in protecting the community from criminal acts. Perhaps this accounts for the increase in crime and the real fear of victimization shared by the public.

Ironical though it may be, some of the same persons and groups pushing for gun control are the same ones using the Exclusionary Rule to the benefit of their criminal clients. Many of them know that the criminal will not discontinue his rampage against the public because of some gun law. They are equally aware that the law-abiding public will be the only ones affected by such a law. The criminals will continue to have the opportunity to utilize the Exclusionary Rule and other technicalities to escape punishment. The criminal has effectively removed the public's freedom to pursue happiness.

An alternative to these past practices is desperately needed. Hopefully, one that would provide a substitute for the Exclusionary Rule while providing for public protection. Britain and Canada do not exclude evidence obtained in an unauthorized manner and their legal systems are highly regarded. One alternative to the exclusion of evidence would involve the use of an existing remedy. The court could officially admonish the officer for his conduct and bring the matter to the attention of the employing agency for disciplinary action. A complaint by a citizen alleging a violation of Fourth Amendment rights might be handled in the same manner. The Department's disciplinary response might range from an admonishment to termination, depending upon the totality of circumstances. Such a modification in the Exclusionary Rule would also provide the officer with an opportunity to receive additional training in the law. The important point is that the criminal would be punished without penalizing the public for the officer's technical abuse.

In essence then, people on both sides of the gun control issue have voiced disgust at the rising crime rate. It is generally accepted that regardless of the number of well-trained police officers or prosecutors, little can be done to curb the rise in crime without the creation of a favorable judicial environment. The removal of the Exclusionary Rule will ensure punishment of criminal offenders and ensure the safety of the general public. If, on the other hand, the major issue for the proponents of gun control is not the suppression of crime or the prevention of criminal use of firearms, but

the abolition of guns from law-abiding citizens, then they might want to reject this proposal and continue their present course through history. The course they have chosen will bring about tyranny.

The effectiveness of gun control laws and crime rates has been the object of study for well over a decade. However, the proponents for gun control are unable to point to any evidence which clearly indicates that gun control is effective in preventing or controlling crime. In fact, there is a great deal of evidence to indicate that it may have the opposite effect. Cities and States with the strictest gun laws appear to have the most serious crime problem. It is submitted that if firearms were the principal cause of crime, more than half this nation would be criminals. If laws abolishing private gun ownership are passed, that statement will be a fact. Few people will be willing to part with their gun at a time when their personal security and the security of their family is being placed in serious jeopardy. They will continue to hide in their homes adding another aggressor to their list, namely, government.

Some people talk about gun registration laws as the best method of keeping guns away from criminals. Well, discounting for the moment the ease by which criminals get guns, the United States Supreme Court in 1968 decided that a felon could not be tried for failing to register a gun, because to do so would violate his right against self-incrimination. Felons, therefore, are excluded from registration laws (Haynes v. United States, 390, U.S. 85). Further, registration has never prohibited an individual or militant group from obtaining a handgun, rifle or machine gun. We have laws prohibiting certain acts and defining them as crimes, but that hasn't stopped murder, robbery, burglary, rape, or auto theft. Crime cannot be legislated away. It must be dealt with strongly, effectively and without compromise. Our nation does not have a gun problem, it has a crime problem. Crime must be attacked within the confines of an effective criminal justice system. The power of the criminals must be diminished and integrity must be returned to our system of justice in order to insure the protection of our citizens.

Rather than celebrate this bicentennial in a negative way by abolishing gun ownership—as was advocated by General Gage at Concord two hundred years ago—let's rededicate ourselves to the principles of freedom and liberty for the majority of our citizens while providing proper penalties for abuse. Rather than punish the law-abiding public, let's provide a proper atmosphere for the criminal. If and when a person is judged guilty, let's find the necessary intestinal fortitude to impose a penalty which will save the public from further victimization.

In tracing our history, it can be observed that our founding fathers sought to create a government which would provide some commonality without compromising individual liberties. The Constitution and the Bill of Rights provide the basic structure for this philosophy. The ultimate power and responsibility for this government still rests with the people. It was wisely intended that way and so it shall remain.

Two hundred years after the first attempt at gun control we find a group of individuals attempting to plea bargain our liberties. This attempt should be answered with Patrick Henry's caution to the Virginia Convention—"If you intend to preserve your inalienable rights you must have the most expressed stipulation; for, if implication be allowed, you are ousted of those rights. If people do not think it necessary to reserve them, they will be supposed given up." We must, therefore, be ever vigilant of our liberties; for if we forget, we will lose them.

STUDIES AND POLLS SHOW AMERICAN PEOPLE DISENCHANTED WITH FOREIGN AID PROGRAM—NATIONS SUPPORTED WITH FOREIGN AID VOTE AGAINST UNITED STATES IN U.N.

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. EVINS of Tennessee. Mr. Speaker, of all the programs of the U.S. Government, the foreign aid program is certainly one of the least understood, and the worst.

Few people realize the total extent of this country's aid, assistance, and commitments to the other nations of the world.

The fact is that the United States has been very generous—overly generous—we have provided a helping hand to our friends and even to some countries which are unfriendly.

This program of bilateral and multilateral foreign economic and military aid to many nations of the world continues and accelerates although this Nation had good and sound warning almost 200 years ago from our first President, George Washington, that the United States not become involved with entangling alliances with other nations.

In his Farewell Address, President George Washington admonished future generations to avoid such alliances.

He said:

The great rule of conduct for us, in regard to foreign nations is, in extending our commercial relations, to have with them as little political connection as possible.

Also later in the speech, he emphasized his point:

'Tis our true policy to steer clear of permanent alliances with any portion of the foreign world.

While obviously in today's world we cannot discontinue all alliances because it is in our interest to have mutual friendship with some other nations based on our own self-interest, certainly the basic elements of Washington's thesis remain credible.

The fact is that the practice of aiding foreign nations through economic and military assistance has cost the American people countless billions of dollars.

To put it bluntly, Mr. Speaker, I was shocked recently to learn that our investment in direct foreign aid over the past 29 years exceeds the growth of the national debt for the same period and, moreover, I am disenchanted by the repeated votes in the U.N. of the so-called friendly nations who have been aided with American assistance and bounty. The recent vote in the U.N. on equating Zionism with racism is an excellent example.

FOREIGN AID GROWTH

The report which accompanied the latest foreign assistance appropriations bill debated by this body and signed into

law by the President indicates that since our foreign aid program began, the American Government has spent more than \$164 billion on grants and loans to foreign nations, and that the Government has paid an additional \$105.7 billion for interest paid on money we had to borrow to give away to foreign nations.

That makes the total cost in foreign aid of almost \$270 billion.

The foreign aid program, since it began, has cost more than \$40 billion more than the accumulated national debt for the same period.

But, Mr. Speaker, the figures cited in the report on the foreign assistance appropriations bill do not give the total picture of our foreign aid. These figures do not include the hidden sums of additional military aid which are classified—nor do they include the tremendous borrowings of the Export-Import Bank—and certainly not included are the numerous and costly international tax loopholes which assist many foreign nations and a scattering of large American corporations, but which cost the American Government additional billions annually in lost revenue.

When these additional programs and others are included, the total foreign assistance program of this Nation is much more than \$270 billion—the exact figure, no one really knows.

BALANCE-OF-PAYMENTS DEFICIT INCREASES

Mr. Speaker, it is also interesting to note that since fiscal year 1950, our international balance of payments accumulated a deficit of more than \$90 billion through fiscal year 1973.

During this 24-year period, this country experienced a balance-of-payments surplus only twice. Also since 1950, the Federal budget of this country has had a surplus only four times.

There are those, of course, who believe that the balance-of-payments situation and the growth of the Federal budget deficits are not significantly influenced by the foreign aid program. But it must be acknowledged that the cumulative foreign aid program which now totals almost as much as the total budget request for fiscal year 1976 has played a role in the deteriorating financial situation of this country.

Mr. Speaker, the disclosure of these figures I have cited has led me to conduct a more intensive study of some aspects of our foreign aid program.

The most useful resource document in studying the program of providing foreign assistance by the United States is the "Green Book" published by the Agency for International Development.

The most current issue dated May 1974 indicates that the total military and economic assistance loans and grants, including the Export-Import Bank, from fiscal year 1946 to fiscal year 1973 actually total \$185.1 billion, of which more than \$125 billion has been in the form of grants and will never be repaid.

Of the \$59.4 billion of foreign aid loans

made during this period, more than \$30 billion remain to be paid.

These figures include the Agency for International Development and its predecessor agencies, also Food for Peace, the Export-Import Bank, the Peace Corps, various military assistance programs, and this country's contribution to various international organizations as the United Nations, and to international financial institutions and regional development banks, among other recipients of our largesse.

MILITARY ASSISTANCE—\$62 BILLION PLUS

Mr. Speaker, our military assistance program is worth analyzing. The total military assistance program is more than \$62 billion, of which \$58 billion has been in the form of direct grants of military equipment, supplies, and services. More than 70 percent of this amount has been spent in the less developed countries.

Whether these sales and assistance have been beneficial to world peace or whether they have contributed to world tensions is open to question. But the facts are clear that the U.S. Government is expending massive sums of money on the military establishments of many foreign countries.

The Statistical Abstract of 1974 reports that based on figures by the U.S. Arms Control and Disarmament Agency, this country exported more than \$5 billion in arms in 1973.

This, according to the Disarmament Agency, is almost twice the estimated arms exports of the Soviet Union during the same year, and more than half the arms exports of the entire world.

Mr. Speaker, the purpose of the foreign aid program is well known. It had noble beginnings with the Marshall Plan to assist the war-torn and devastated countries following World War II. I believe the record shows that the American Congress has, over the past 30 years, provided substantial sums to aid those countries which needed help in their development. Certainly the American people have been unselfish in their tax dollars to assist those unable at times to assist themselves.

POLL SHOWS DISENCHANTMENT WITH FOREIGN AID

But, international political situations, the reluctance or refusal of foreign aid recipients to assist us and growing domestic problems have led the American public to begin to question the value of our military and economic assistance. Recently the Chicago Council on Foreign Relations conducted a poll of "American Public Opinion and U.S. Foreign Policy in 1975." This poll, conducted nationwide by Louis Harris, states "there is little sentiment among the American public for a retreat from the world." The report goes on to say, "Two thirds of the American public shares a great belief that 'the United States should play an active role in the world.'"

But the report continues:

A large majority of the public also believes that the real American concerns should be at home, and 52 percent believe that we should build up our own defenses and let the rest of the world take care of itself.

Concerning economic aid, the report concluded:

About half the American public—52 percent—support the principle of foreign economic aid, but 56 percent also want the level cut back; and only 10 percent want it increased. Cuts are particularly favored when seen in the context of competing domestic priorities.

This report indicates that the American people are beginning to question the current thrust of American aid abroad. There appears to be a growing feeling that this country's aid programs are not a good investment, but represent money thrown away.

FAILURE OF FOREIGN GOVERNMENTS TO SUPPORT THE UNITED STATES IN THE UNITED NATIONS RAISES QUESTIONS

One way of measuring the effectiveness of our assistance program is to study the United Nations. Certainly it is not my feeling that foreign assistance should be used as a ransom to compel a country to vote with the United States in the U.N., but certainly moderate support can and should be expected. However, a study of the voting patterns brings out some startling facts and trends which attest to the contrary—many of the recipients of our foreign aid rarely support the U.S. position.

I have surveyed 39 countries which are members of the U.N. and which continue to receive foreign aid.

In addition, I have also studied the 197 rollcall votes of the 28th General Assembly of the United Nations during September–December 1973. Of all these votes, the United States and the Soviet Union had opposing positions in 62 instances. The United States and the U.S.S.R. voted alike on 32 votes and one or the other did not vote the remainder of the time.

For the purpose of this study, I focused on these 62 votes where the United States and Russia differed. The sentiments of the United Nations was clear: The U.S. position was sustained only 16 percent of the time—in only 10 votes out of 62 did the U.S. position carry the United Nations when the U.S. position differed from the position of Russia.

U.S. SUPPORT LOWER AMONG FOREIGN AID RECIPIENTS

Of those 39 countries still receiving aid, the average support of the U.S. position was even less, 14.5 percent—an average of nine times.

However, support for the U.S.S.R. also decreased, and these countries just did not vote 31 percent of the time.

Total U.S. aid to these 39 countries is more than \$40 billion, of which 51 percent is in the form of outright grants which will never be repaid. In addition, 81 percent of the loans—more than \$16 billion—remained to be paid at the end of fiscal year 1973.

Military sales to these countries totaled \$8.2 billion, of which 95 percent was in the form of grants.

In addition, Export-Import Bank loans to these 39 countries totaled \$5.7 billion, of which all but \$1.5 billion has been repaid.

U.S. support: 14.5 percent, Russian support, 55 percent.

These 39 countries supported the Russian position on 34 of the 62 votes—almost 55 percent—where the United States and the U.S.S.R. positions dif-

fered, and supported the United States only nine times, or less than 15 percent of the 62 votes checked.

These 39 countries which have received U.S. aid through fiscal year 1973 and continue to receive aid and assistance include:

Bolivia has received more than \$600 million, including more than \$350 million in grants. Bolivia supported the United States on 26 votes.

Brazil has received more than \$2.8 billion, including almost a billion dollars in grants. Military loans and grants total more than \$430 million. Brazil supported the United States on 20 votes.

Chile received \$1.1 billion, including \$360 million in grants. Chile supported the U.S. position nine times.

Colombia has received more than \$1.4 billion, including \$390 million in grants. Colombia supported the United States on 10 votes.

Costa Rica received \$190 million, more than half in grants, and supported the United States on 21 votes.

The Dominican Republic, which received \$500 million, roughly half in grants, including \$33 million in military grants, supported the United States on 12 votes.

El Salvador, which received more than \$150 million, half in grants, supported the United States on nine votes.

Ecuador has received more than \$340 million, including \$180 million in grants, more than \$60 million of which was for military purposes. Ecuador supported the United States on 10 votes.

Guatemala, which received almost \$325 million, including more than \$210 million in grants, supported the United States on nine votes.

Guyana has received \$80 million, \$25 million in grants. Guyana supported the United States on 6 votes.

Haiti, which received almost \$110 million, of which all but \$10 million was in grants, supported the United States on only 5 votes.

Honduras, which received more than \$140 million, including more than \$80 million in grants, supported the United States on 11 votes.

Jamaica, which received more than \$86 million, including more than \$50 million in grants, supported the United States on three votes.

Nicaragua, which received more than \$200 million, including more than \$90 million in grants of which \$17 million was for military assistance, supported the United States on 32 votes.

Panama, which received more than \$280 million, half in grants, supported the United States only six times.

Paraguay, which received \$160 million, including \$84 million in grants, supported the United States 12 times.

Peru has received more than \$560 million, including \$340 million in grants of which more than \$120 million have been for military purposes. Peru supported the U.S. position seven times.

Uruguay received more than \$200 million, including \$60 million in military assistance. Uruguay supported the U.S. position on 16 votes.

Ethiopia received more than \$475 million, including \$350 million in grants of

which almost \$200 million was for military assistance. Ethiopia supported the United States in only six votes.

Ghana received \$280 million in U.S. aid, \$60 million in grants. Ghana supported the United States eight times.

Kenya received \$98 million in grants and supported the United States in the United Nations on six votes.

Liberia, which received \$224 million including \$132 million in grants, supported the United States on only eight votes.

Morocco, which received more than \$900 million in U.S. aid, including more than \$110 million in military assistance grants and loans, supported the United States on three votes.

Nigeria, which received more than \$400 million, 75 percent in grants, supported the United States only five times.

Rwanda, which has received \$8.3 million in grants supported the United States on seven votes.

Sudan has received \$115 million, including \$70 million in grants. Sudan voted with the United States seven times.

Tanzania has received \$86 million, \$70 million of which has been grants. Tanzania supported the United States on only four votes.

Tunisia has received \$790 million, including \$450 million in grants. Military aid totals almost \$50 million. Tunisia supported the United States on just seven votes.

Zaire has received almost a half billion dollars in U.S. aid, more than \$300 million of that in the form of grants. Military aid totals \$50 million. Zaire supported the United States on five votes.

Afghanistan received more than \$450 million, including almost \$360 million in grants. Afghanistan supported the United States on only two miserable votes.

India has received \$8.9 billion, including \$2.2 billion in grants and \$5.4 billion in unpaid loans. India supported the United States on six votes.

Indonesia received \$1.9 billion, including \$160 million in military grants. Indonesia supported the U.S. position on eight votes.

Nepal has received \$193 million, including \$179 million in grants. Nepal supported the United States on seven votes.

Pakistan has received almost \$4.9 billion, half in the form of grants, including more than \$680 million in military grants. Pakistan supported the U.S. position on seven votes.

The Philippines, which received almost \$2.3 billion, of which almost \$2 billion was in grants, including more than \$700 million for military assistance, supported the United States on eight votes.

Ceylon received more than \$200 million, including almost \$95 million in grants. Ceylon supported the United States on six votes.

Thailand, which received almost \$1.8 billion including \$1.7 billion in grants, of which more than \$1.1 billion was for military assistance, supported the United States only eight times.

Turkey has received more than \$6.5 billion, including almost \$5 billion in grants, \$3.7 billion of which was for military aid. Turkey supported the United States on 12 votes.

Yemen has received almost \$50 million, all in the form of grants. Yemen supported the United States on four votes.

And so it goes in the United Nations—countries which were supported the most support the United States the least.

TEN PERCENT OF WORLD'S POPULATION CONTROLS TWO-THIRDS OF UNITED NATIONS VOTES

Mr. Speaker, I am concerned that the support for our country in the United Nations is at such a low ebb. Delegates representing 10 percent of the world's population now control two-thirds of the vote in the U.N. General Assembly. This country has spent literally hundreds of millions in tax dollars to support the United Nations operations—indeed, we continue to provide more than 20 percent of the total budget of the U.N. development program which has more than 6,000 ongoing projects. Our percentage has been decreasing, but it is still substantial.

Mr. Speaker, the American people have a right to expect that those countries which have received billions in U.S. foreign aid would be more friendly to this country's position in world affairs. However, my study has shown that the 39 countries still receiving assistance under the programs of the Agency for International Development have a poorer record of support of the U.S. position—just 14.5 percent—than the United Nations taken as a whole.

I have cited these facts because I feel that the Congress and the American people deserve to know the full story of our foreign aid program. Not only have we provided aid to poor countries, but have also given lavish sums to the oil rich nations in the Mid-East and other nations which have substantial financial reserves. And what was the result of our giveaways—an oil embargo that caused untold hardships and miseries for the American people.

Mr. Speaker, as stated earlier, this country has been very generous with billions spent in the form of both bilateral and multilateral development assistance programs, in addition to military aid.

And what has been our reward?

A slap in the face by our "friends" in the U.N.—a worsening balance-of-payments deficit—an oil embargo—and little military or financial assistance or cooperation when we need them.

Many international financial institutions supported by the United States have put a drain on this country's money market and loaned money for projects with liberal repayments, some interest free.

GIVEAWAYS CONTINUE

For instance, on March 13, the World Bank Group announced a loan totaling \$15 million to 126 mixed farms and coffee estates in Kenya, including \$7.5 million from the World Bank at 8½ percent interest for 25 years, including 5 years of

grace. In addition, the International Development Association provided an additional \$7.5 million, interest free for 50 years, including 10 years of grace. The only interest charge is three-fourths of 1 percent for administrative costs.

Mr. Speaker, where can the U.S. farmer or small businessman get a deal like that?

This Nation is doing for foreign nations what our Government refuses to do for our own people—this is not right—certainly not sound policy.

In recent days there has been a great deal of discussion concerning the very large Federal budget deficit, and many fear this large deficit will put a drain on the money market and prompt higher interest rates and another round of inflation.

Let us consider the effect on the capital market of these foreign aid dollars and the additional borrowings of the international financial institutions. Let us also consider the "invisible" foreign aid in the form of tax breaks such as domestic international sales corporations which will cost the taxpayers more than \$1 billion in lost revenue this year. These items certainly influence the budget deficit and the money market.

Mr. Speaker, we have been told that the foreign aid program is good business. Certainly it is good business for those who receive it.

It is good business for the high paid officials stationed around the world as the mission directors of the AID who receive high salaries and additional sums for expenses. And certainly it is good business for big business. For instance, the Overseas Private Investment Corporation's insurance portfolio goes to the top 500 corporations, and in 1973 small business participation in AID's direct procurement amounted to less than 5 percent.

CONCLUSION

The time has come to ask if these massive expenditures are good for America. I think the answer is obvious—that these giveaways are not good or sound. They should be greatly reduced and cut.

At least \$12.6 billion has been requested by the administration for more foreign economic and military assistance in fiscal year 1976. Considering the past programs and the poor results, it is time for Congress and the American people to reevaluate this Nation's foreign aid programs.

These programs are draining the resources of this Nation, costing the taxpayer enormously, producing an outflow of dollars which have contributed to our unhealthy balance-of-payments situation, and contributed to the huge Treasury deficits.

Let us economize—let us cut back on these foreign aid programs—let us be sensible—let us turn our attention to and marshal our resources to deal with our domestic problems. At a time when we have widespread unemployment and an economic recession at home, it is time to cut back on foreign aid and to strengthen the economy of the United States.

**CRITICAL MASS: ILLEGAL ACTS
PLANNED AGAINST NUCLEAR
POWERPLANTS**

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. McDONALD of Georgia. Mr. Speaker, a conference called Critical Mass '75, self-characterized as the "second national gathering of the citizen movement to stop nuclear power," drew more than 1,200 people from across the country to its 2 days of meetings here in Washington, D.C., November 16-17, 1975.

Conference-goers wandering through the overheated meeting rooms of the Shoreham Hotel heard more than 50 scientists and other alleged experts predict doom and dire consequences from the peaceful uses of nuclear energy and vilify the U.S. nuclear power industry for trying to make a profit for their stockholders and for future expansion.

The prime mover in the Critical Mass '75 operation was Ralph Nader, the "self-appointed crusader for all American consumers." In his opening statement to the Critical Mass conference, Nader made a broad "shotgun" attack on the nuclear industry which he claimed was a "shambles."

Nader, who organizes public pressure for greater and greater government control, called for still more "citizen action and involvement in coming months" to smash the nuclear power industry.

He said:

Nuclear energy is disintegrating and our full effort must now be devoted to designing and advocating a non-nuclear future for the country.

Nader, it appears, would rather have the United States dependent on the OPEC countries than have it develop a nuclear powerplant alternative.

On the final day of the conference, Ralph Nader issued several warnings to the nuclear industry, its trade associations and employees—and to law enforcement—that their interest in the anti-nuclear movement could be considered "illegal interference" and an invasion of the right to privacy, which would be "relentlessly exposed." Reference was particularly made to law enforcement agencies who have inquired into the activities of so-called "environmental" or "ecology" groups which included among their members persons with records of involvement in revolutionary organizations and persons with a potential for violence.

And as Mr. Nader, in his role as the environmental knight in white armor, concluded his strictures against surveillance, he was joined on the platform by Samuel Holden Lovejoy, 30, a successful, admitted saboteur of a nuclear powerplant under construction in Montague, Mass.

It will be recalled that Lovejoy, a leader of the environmentalist and anti-nuclear power group called Nuclear Ob-

jectors for a Pure Environment—NOPE—and a resident of an organic farming commune which formerly served as the headquarters of the revolutionary Liberation News Service, surrendered himself to police on February 22, 1974, after loosening the bracing cables of a preliminary weather tower at the nuclear plant site. The \$50,000 tower collapsed. In a prepared statement to the press, Lovejoy admitted "full responsibility for sabotaging that outrageous symbol of a future nuclear powerplant."

After a trial in which Lovejoy defended himself as having acted in the public interest, the judge directed acquittal on grounds of a faulty indictment which charged Lovejoy with destruction of personal rather than real property. Lovejoy then told the press.

The publicity * * * was a great victory, and we've entered the issue of civil disobedience into the environmental movement.

Civil disobedience to Lovejoy and his supporters means deliberate violations of the law including the destruction of property.

Lovejoy has been touring the country lining up support from Marxist and leftist-pacifist groups like the War Registers League who used civil disobedience tactics in support of the Vietnam War. WRL works actively with several Soviet and Communist Party, U.S.A., fronts in support of disarmament and détente.

As Mr. Nader buried his head in his hands, Lovejoy read two resolutions prepared earlier that day by an ad hoc activist caucus of some 60 conference participants.

Lovejoy said:

We feel that Critical Mass represents the leadership of the nuclear opposition movement. It seems fitting that as a group we should attempt to provide concise direction for nuclear opponents across America. In this respect, we feel that Critical Mass should address its responsibilities to the people and adopt resolutions aimed at uniting all nuclear opponents and determining the most vital and significant targets in order to maximize our effectiveness.

Lovejoy's resolutions, greeted with tumultuous and enthusiastic applause by the crowd to Nader's obvious chagrin, were:

Number 1: The opposition to commercial nuclear power plants recognizes the integral connections between itself and the nuclear disarmament movement; and also recognizes and seeks to ally itself with peace and disarmament groups, organizations and coalitions in order to achieve total nuclear disarmament.

Number 2: The people here assembled recognize the nuclear juggernaut may not be stopped without an active, national popular movement. We support all non-violent forms of nuclear resistance including civil disobedience and other humane means of direct action.

Observers of the nuclear disarmament and the antinuclear power movements have long recognized the close connection. Both movements are anticapitalist—aimed at smashing the free enterprise system and the system of individual liberty and responsibility on which it rests.

Both movements are internationalist and collectivist.

Many avowed Marxist revolutionary groups have been trying to unite the two movements—from the Communist Party, U.S.A., to the Workers World Party through its fronts and the October League by linking up to the Marxists of the Georgia power project. But it appears that the articulate Sam Lovejoy, nuclear saboteur and "ecotage" expert, has achieved a striking success in his own right.

A summer, 1974, article by Lovejoy was distributed at the Critical Mass '75 conference. The article, entitled "An Editorial," sets forth the ideology of the radical antinuclear movement in clear and unmistakable terms. Lovejoy wrote:

The tower ecotage episode was a catalyst for awareness and action, a moderate first step . . . but it also surfaced an inevitable social collision between the progressive-enlightened and the stagnant forces in * * * the United States and the world. The background, the lifestyle, the entire mind set of myself, and countless other brothers and sisters, see the locally proposed NUKE as the * * * microcosmic symbol for an enormous political-social system so corrupt and so in need of change that . . . * * * (Emphasis added.)

After that passage in which Lovejoy did everything but say the word "revolution," he continued by pointing how all the various radical special interest groups can be united around the anti-nuclear issue:

As energy is at the base root of life itself, so the ecology movement, the anti-war, anti-race movements, the sexual liberation movements, all progressive minded peoples everywhere are uniting their energies to halt and prevent the scourges of prejudice, avarice, injustice, and yes, imbalance. The No NUKES movement is thus profoundly political and international. * * *

On the practical level * * * The nuclear power industry is just a shadow of the total monstrosity of western industrial technology. And the gluttonous [sic] cry for electricity is only the end result of an impossible, ever-expanding economy and fancy, highly financed public relations. * * * until humanity can eliminate self interest and profit as the motive forces in society . . . planet Earth will never attain its ultimate harmony * * *.

It is clear that America's energy industries—nuclear and nonnuclear—are vital to our future development and our national well-being and security. The environmental extremists are a small minority who hope that America will return to a preindustrial "dark age." Their allies are revolutionary Marxists who would manipulate the movement to weaken and divide our country.

Crusader Nader has his constitutional right to carp and criticize. But when Nader offers his movement as a cloak to screen the attacks of potential lawbreakers, we must call upon all the appropriate agencies of our Government, both Federal and local, to closely monitor their activities in order to insure that in this volatile area neither the public safety nor our internal security is subjected threats of violence.

WHY ARE RAILROADS IMPORTANT TO THE NATION?

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. GOLDWATER. Mr. Speaker, as a member of the Committee on Public Works and Transportation, I was especially interested in a prize-winning essay written by a young man by the name of David Harmer. He was the recipient of a \$1,000 scholarship, having placed second in a nationwide competition among the Boy Scouts of America for essays on the subject of railroads. I present David's essay for my colleagues interest:

WHY ARE RAILROADS IMPORTANT TO THE NATION?

(By David Harmer)

American railroads have been called, "the lifeline of the nation," and it's no wonder. Railroads are the backbone of America's transportation system—they carry 39% of the nation's intercity freight load, and move more ton-miles of intercity freight each year than trucks, barges, and airlines combined. Railroads also carry over half of all domestic non-local mail, and large amounts of baggage and express.

Because of this, all Americans have a pocketbook interest in railroads, since transportation costs are part of nearly everything we buy. Our nation's way of life, based on large-scale production and consumption, would be impossible without railroads. (This is often seen during major railroad labor strikes.)

And the load is constantly growing. Railroad volume increased by a third in the last decade, and even greater growth is expected in the next—partly under the influence of environmental and energy concerns. For railroads can help solve many of our nation's critical problems such as air pollution, energy conservation, mass transit, urban congestion, and wise land utilization.

ENERGY CONSERVATION AND AIR POLLUTION

Railroads are extremely efficient—much more so than highways or airplanes. Freight trains, for example, can move freight three to four times more efficiently than trucks.

On trains, the steel wheels move over the steel rails with very little friction—far less than the tires of a truck moving over a highway. Therefore, truck, truck engines must work harder than a locomotive to move the same weight. In doing so, they consume about three times more fuel than trains to move the same weight.

Railroads pollute little because they are so energy efficient. They pollute about three times less than trucks. In a study made during a recent year on air pollution, railroads' share of polluting emissions in America was about 1%, yet railroads moved more freight

than their competitors, who polluted much more.

WISE LAND UTILIZATION

Land is one of America's most precious natural resources, so we should use it carefully.

Railroads operate on their own right-of-way. In 1916, railroads had 254,000 miles of track. Since then, the mileage has been reduced to 201,000 miles, though traffic has increased. Compare that to our highway system. Since 1955, the land that highways use has increased rapidly. Now, highways use about ten times more land than railroads.

Studies show that one track of double-track railroad is equal in capacity to ten to twenty lanes of multiple-lane highway, yet it uses far less land.

Many highways are crowded. However, railroads are operating at only about one-third of their capacity—they could triple their volume without acquiring any large amounts of new land.

MASS TRANSIT

All Americans want to reduce air pollution and urban congestion. One way would be to use more commuter trains and other forms of railroad transportation. Rail transit is becoming increasingly important in America, because it can do what the auto can't—move many commuters quickly into the heart of a city, with little congestion, pollution, or inefficiency.

Light rail transit systems are being developed in many cities because they cost less than a superhighway, but help to reduce congestion, pollution, and noise. Also, railroads are seventeen times safer than automobiles, as far as fatalities are concerned.

In the future, railroads will be very important in mass-transit and corridor service. They're efficient, clean and safe, which is so important today and will continue to be in the future. American railroads have the best freight service in the world, and it's going to become even better.

American railroads are important because without them, America wouldn't be what it is today.

FREE ENTERPRISE SYSTEM

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. GOLDWATER. Mr. Speaker, twice before, I have brought an outstanding example of the American free enterprise system to the attention of my colleagues. On both occasions, I spoke about Galpin Ford in the San Fernando Valley of California. Galpin Ford, owned and operated by H. F. "Bert" Boeckmann II, has once again won the National Automotive Retailer of the Year Award. I am not surprised. Bert's way of providing

consumer service and marketing are years ahead of the times. Bert's involvement in the community is so well known that his name is synonymous with "good neighbor." Once again, I commend and bring to the attention of my colleagues a living example of what is right about American business.

FACE UP TO BUSING ISSUE

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 19, 1975

Mr. BLANCHARD. Mr. Speaker, it is about time the House of Representatives faced the issue of school busing squarely. In my opinion, the only effective way to face this issue squarely is by adopting a constitutional amendment to prohibit forced busing and preserve neighborhood schools.

Unfortunately, too many of our leaders feel that someone else should resolve the busing issue. They think that someone else will stop busing or that the issue of busing will go away. They are concerned with the divisiveness of the busing issue and hope to forestall action on it, thinking that it really can be resolved without "biting the bullet."

Two recent actions here in Washington reflect the unwillingness of many elected officials to deal with the busing issue.

Today a majority of the members of the Democratic Caucus voted to table consideration of a resolution calling for a constitutional amendment to prohibit busing. I think they are wrong. That is why I voted against tabling the resolution and why I feel we should adopt a constitutional amendment to preserve neighborhood schools.

Several weeks ago President Ford stated he opposes a constitutional amendment to prohibit busing. I believe both the majority in the caucus and the President are ignoring the reality of this most serious issue. The busing issue will not be resolved by someone else and will not go away. Millions of our citizens across the country are a testimony to that fact. Concern over busing is spreading, not receding, and it will continue to do so until we adopt a constitutional amendment.

We cannot wait for the courts to come to their senses or wait for someone else to grapple with the great issues of the day. We were elected to do that. Let us do it.

HOUSE OF REPRESENTATIVES—Thursday, November 20, 1975

The House met at 12 o'clock noon.

The Rev. James R. Hallam, Asbury United Methodist Church, Philadelphia, Pa., offered the following prayer:

O God, thank You for the gift of another day of life. May we not become so lost in busyness that we do not appreciate it. Increase our awareness so that we do not miss a laughing, frolicking child; a

cool, clear fall day; or an intimate conversation with a friend.

Help us to take off our masks. You see through our pretensions. You know our mixed motives, our thirst for position and power, our fears, and our guilts. Give us the strength to change our behavior and the courage to risk being human.

Keep us sensitive to each other. Do not

allow our ears to grow deaf to the pain, anger, and despair expressed by the jobless, the oppressed, the hungry, and the aged. Use us to accomplish Your purpose. Give us the wisdom to deal with complex issues so that peace, justice, and compassion may be experienced by all people. In the spirit of Jesus of Nazareth we pray. Amen.